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phase II housing element

**housing
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PHASE II HOUSING ELEMENT

HOUSING STRATEGY

JUNE 1976

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*Housing Arvin
City planning "*

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housing report

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ARVIN PHASE II HOUSING ELEMENT

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ARVIN PHASE II HOUSING ELEMENT
HOUSING STRATEGY
PART I UPDATE

INTRODUCTION

The Phase I Housing Element of the Arvin General Plan, adopted in January, 1972, provides the community with an analysis of its housing conditions and identification of goals and objectives for the improvement and maintenance of the community's housing stock. The purpose of the Phase II Housing Element is to provide a functional process for implementing the adopted goals and objectives. The process is intended to be a cooperative effort involving the liaison and cooperation of a diverse range of public agencies and private groups, including the U.S. Department of Housing and Urban Development (HUD), the California Department of Housing and Community Development (HCD), the Kern County Housing Authority, citizen groups, lending institutions and local builders. Solutions to local housing problems will not be effective without the coordination of housing resources and responsibilities among the community and these public and private agencies.

This element gives emphasis to meeting short (1-3 years) and medium (4-7 years) range housing needs. It is divided into two parts. The first part updates the information base of the 1972 Phase I housing element. It examines existing housing conditions, market conditions, and future housing needs based on current population estimates and construction activity. The second part of this element then applies this data to a housing allocation and strategy program which is intended to provide a process for City and Kern COG implementation of housing programs designed to meet projected short and medium range housing needs.

PART I ARVIN HOUSING UPDATE

The Phase II Housing Element has been developed under direction of the implementation framework established by adoption of the Phase I Element. This section will clarify that relationship through the restatement and updating, as necessary, of various portions of the Phase I Element. Such an approach is necessary to maintain a consistent, continuing effort to meeting the housing needs of the community.

Housing Goals

Community housing goals were established by the Phase I Housing Element to give guidance and coordinated purpose to the efforts of public and private agencies in the community to maintain existing housing stock and provide for new housing. These goals are as follows:

- a. To provide a full range of housing choices for all economic and social groups without the deterrents of unreasonable cost, location, condition and design that exclude large segments of the community from needed housing.
- b. To provide adequate housing at reasonable costs for all residents of the community need not detract from the physical environment and economic make-up of the community but enhance its appearance and economic functioning through greater efficiency and community involvement.

Short range objectives (3 to 4 years) are also identified in the Phase I Element as a means of achieving the goals identified above. Those objectives are as follows:

- " a. Achieve coordination of housing goals, plans and objectives of county communities making up the housing market.
- b. Stimulate new housing, rehabilitation of existing housing stock and access to housing by the disadvantaged through whatever programs become available.
- c. Develop local interest leading to local programs for recognizable housing needs to be satisfied.

- d. Specific problem areas that are not indigenous to all counties or metropolitan areas must be provided for as typified by the farm labor community and the rural population concentrations.
- e. Existing agencies and institutions that are capable of action or increased activity toward providing housing or aid in satisfying housing needs must be mobilized to maximum effectiveness.
- f. Existing adopted general plans of the cities and the county must be reviewed to include housing elements to insure achievement of housing goals both for the total community under consideration.
- g. Total involvement of all those affected by public and private programs in regard to housing must be included in the planning and implementation of large-scale efforts affecting their future environment.
- h. Housing programs including public expenditures must be related to all programs, particularly environmental programs and economic development, in order to achieve recognized public goals.
- i. Review existing policies that relate to housing and its availability to all segments of the community. "

The programs and policies recommended in Part II of this Element are designed to implement these goals and objectives in a manner which can be administered by the City in cooperation with other housing-oriented agencies.

Housing Conditions

The State Department of Housing and Community Development conducted a condition of housing windshield survey of Arvin during October 29, 30 and 31, 1975. Analysis of various structural features exhibited by individual dwelling units was utilized to determine a housing condition rating as tabulated in Tables 1 and 2. The structural features examined included foundations, exterior walls, roof, gutters, chimneys, windows, porches and railings. The resulting ratings were then based on the following criteria:

- a. Standard: Older buildings which have been well maintained and new buildings in good condition or in need of minor maintenance.
- b. Minor Rehabilitation & Major Rehabilitation: Fair to deteriorating buildings which need one or more repairs to meet reasonable standards of housing and where continued neglect will result in structural damage.

- c. Dilapidated: Buildings in an advanced stage of deterioration exhibiting such a degree of major structural deficiencies, so as to be economically unfeasible to repair.

A comparable windshield survey was conducted in 1971 by the consulting firm of Hahn, Wise and Associates pursuant to preparation of the Phase I Element. The criteria they used is similar to the criteria identified above. Thus the data generated by the two surveys can be compared to give an indication of the change in the housing stock of the City during the past four years.

In 1971, the City had a total of 1455 dwelling units, increasing 9.4% by 1975 to a total of 1540 units. However, the increase in total units has not appreciably altered the relationship between standard versus rehabilitation housing in the City. The percentage of standard units has dropped 1% from the 1971 level, the percentage of minor-rehabilitation units has dropped 2%, while the total percentage of major rehabilitation and dilapidated units have increased 3%. Therefore, it appears that the overall condition of Arvin's total housing stock is declining. New housing starts are barely keeping even with new growth needs and are not substantially contributing to the improvement of the City's housing. However, one point should be stressed - a windshield survey must, by its nature, involve a degree of subjective judgment based on the number and experience of the persons conducting the survey. Thus the percentage differences between the surveys may, in part, be attributed to this factor. This point can be illustrated by examination of the number of units classified by the surveys as needing "major rehabilitation". The 1971 survey does not classify any units as needing major rehabilitation, rather identifies 519 units, 36% of the total, as being substandard or dilapidated. The 1975 survey differs in that it designates 258 units as needing major rehabilitation and 334 as dilapidated, representing a combined total of 39% of the total units in the City and very close to the 1971 dilapidated percentage figure.

Arvin has been divided into three neighborhood areas with each area broken down further into sub-neighborhoods as shown on Plate 1. The City has been divided in this manner in order to compare relative housing conditions in neighborhood areas and identify within those neighborhoods priority areas for the application of appropriate housing programs.

The two major arterials which pass through the community, Bear Mountain Boulevard and Meyer Street, were used as the basis for neighborhood boundaries. These thoroughfares act as barriers, constraining convenient pedestrian movement, particularly the movement of elementary school-age children. The thoroughfares also generally conform to U.S. Census enumeration district boundaries, permitting analysis of relative socio-economic factors in each neighborhood area. These factors as reflected by neighborhood housing quality were used as the primary criteria for defining sub-neighborhood area. A description of each neighborhood area and sub-neighborhood area together with a discussion of their relative housing conditions is as follows:

CITY OF ARVIN

PHASE II HOUSING ELEMENT

Legend:

Neighborhood



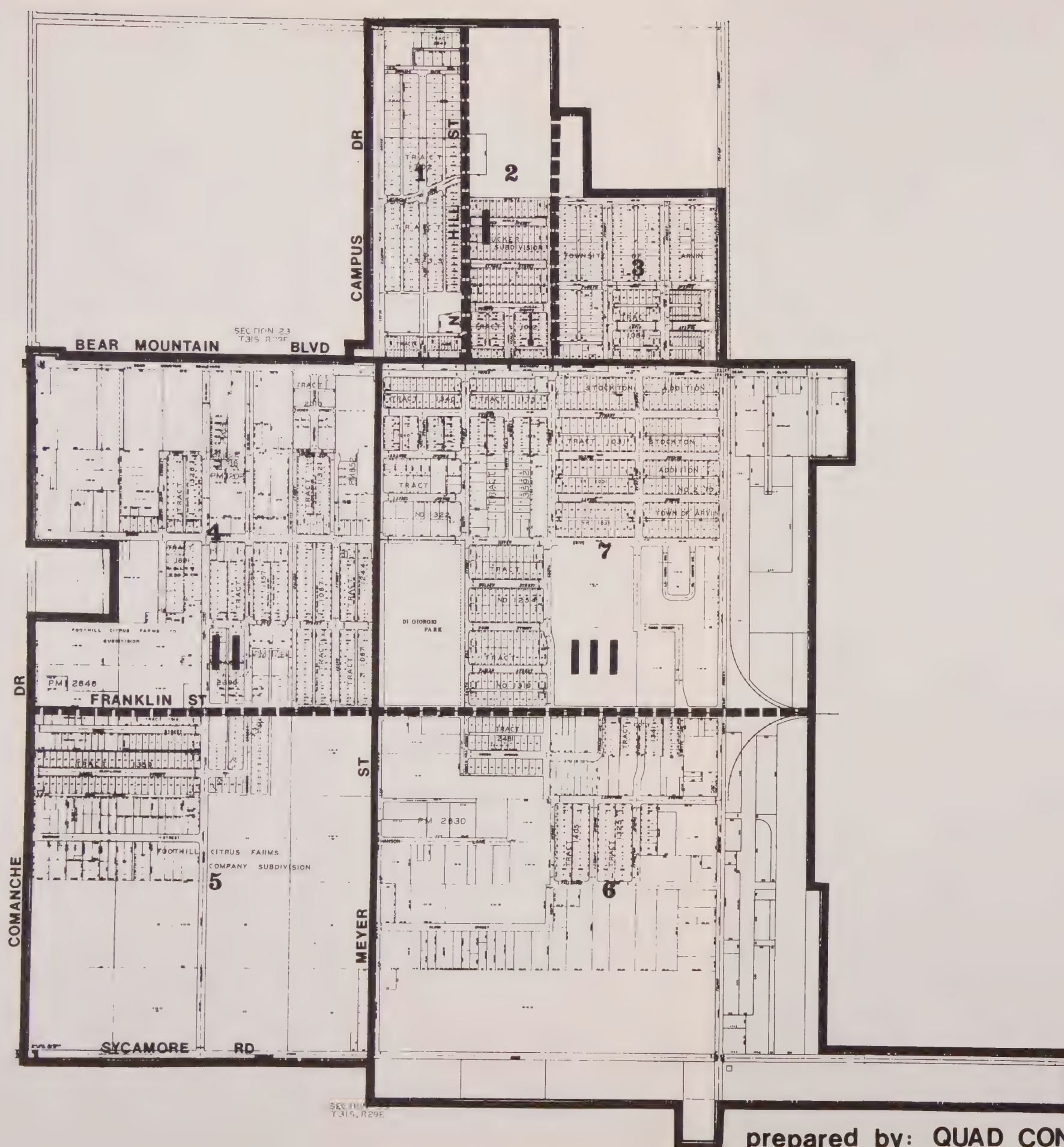
Sub-Neighborhood



City Limits



DECEMBER 1975



prepared by: QUAD CONSULTANTS PLATE 1

Neighborhood Area II

Bounded on the south by Sycamore Road, the west by Comanche Drive, the north by Bear Mountain Boulevard and the east by Meyer Street, this area is in primarily residential and agricultural use or vacant land. It contains some neighborhood commercial support in the vicinity of Franklin Street and Meyer Street. The overall housing condition in this area can be classified as deteriorated. According to Table 1, 32% of the dwellings require minor rehabilitation while 43% are substandard, requiring major rehabilitation to be brought up to building code standards or should be replaced with new construction. The sub-neighborhoods contained in this area are as follows:

- #4, West- Housing conditions are evenly divided between standard dwelling units (49%) and substandard dwelling units (51%). These conditions are also evenly distributed throughout the sub-neighborhood - "pockets" of either standard or substandard dwelling cannot be identified. This kind of situation can cause a general decline in overall housing conditions, particularly if moderate cost, new housing becomes available in the community. Owners of the standard, well-maintained housing will move out for a better neighborhood environment, the remaining vacant dwellings will only be marketable to families that do not have sufficient income to maintain them, and neighborhood decline will accelerate. However, opportunities for maintaining and upgrading this sub-neighborhood do exist. Housing rehabilitation programs, as outlined in Part II of this element can stabilize and upgrade overall housing conditions. The vacant, subdividable parcels evident in the sub-neighborhood should be encouraged or new residential construction as an additional means of improving overall housing conditions.

- #5 - This sub-neighborhood is predominately undeveloped. Residential development is concentrated in the northwestern portion of sub-neighborhood, as shown in Plate 1. Housing and the neighborhood environment generally improve as development has progressed north to Franklin Street. As indicated in Table 2, 55% of the housing is considered to be standard or needing only minor rehabilitation. The construction of new dwellings south of Franklin Street and east of Walnut Drive is a stabilizing factor in this sub-neighborhood. Curb and gutter and street lights are installed in the residential areas, with the exception of curb and gutter on Durham Street.

Neighborhood Area III

Table 1 indicates this area contains the highest overall percentage of standard and minor rehabilitation housing (71%) as compared to the other two Neighborhood Areas. The area is bounded on the north by Bear Mountain Boulevard, the east and south by the City limits, and the west by Meyer Street. It can be considered as the older community core, containing half of the central business district fronting on Bear Mountain Boulevard, the community's primary industrial area on the eastern fringe, and the community's primary public recreation facility, DeGiorgio Park. The sub-neighborhood areas are as follows:

- #4, East- Housing conditions in this sub-neighborhood are among the most stable in the community. Table 2 indicates 80% of the housing is classified as standard or minor rehabilitation. Some housing decline is evident north of Haven Drive and west of South Derby Street. Municipal improvements are fully installed in the residential areas.

- #6 - This sub-neighborhood contains the newest, high density development in the community, Section 236, moderate income apartments located on the southeast corner of Franklin Street and Meyer Street, and also the lowest density residential development in the community located generally in the vicinity of Hanson Lane. These are large lot, residential developments permitting livestock and other agriculture related activities. Curbs and gutters have not been installed in this area. As shown in Plate 2 the majority of dilapidated and major rehabilitation housing in the sub-neighborhood is also concentrated in this area.

Table 1
Condition of Housing by Neighborhood Area
City of Arvin

Quadrant I (includes sub-neighborhoods 1, 2 and 3)

	Number	% of Quadrant	% of City
Standard	121	36	8
Minor Rehab.	46	14	3
Major Rehab.	58	17	4
Dilapidated	110	33	7
Total	335	100	22

Quadrant II (includes sub-neighborhoods 4 and 5)

Standard	134	25	9
Minor Rehab.	176	32	11
Major Rehab.	106	19	7
Dilapidated	129	24	8
Total	545	100	35

Quadrant III (includes sub-neighborhoods 6 and 7)

Standard	271	41	18
Minor Rehab.	200	30	13
Major Rehab.	94	14	6
Dilapidated	95	15	6
Total	660	100	43

Total City	1540
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Table 2
Condition of Housing by Sub-Neighborhood
City of Arvin

QI	Sub-Neighborhood 1	Number	% of Neighborhood	% of City
	Standard	105	100	6.9
	Minor Rehab.	0		0
	Major Rehab.	0		0
	Dilapidated	0		0
	Total	105	100	6.9
QI	Sub-Neighborhood 2			
	Standard	8	12	.5
	Minor	34	50	2.2
	Major	12	18	.8
	Dilapidated	14	20	.9
	Total	68	100	4.4
QI	Sub-Neighborhood 3			
	Standard	8	5	.5
	Minor	12	7	.9
	Major	46	28	3.0
	Dilapidated	96	60	6.2
	Total	162	100	10.6
QII	Sub-Neighborhood 4			
	Standard	190	44	12.3
	Minor	154	36	10.0
	Major	53	12	3.4
	Dilapidated	33	8	2.1
	Total	430	100	27.8
QII	Sub-Neighborhood 5			
	Standard	70	22	4.5
	Minor	87	27	5.6
	Major	69	22	4.4
	Dilapidated	91	29	6.0
	Total	317	100	20.5

QIII	Sub-Neighborhood 6	Number	% of Neighborhood	% of City
	Standard	81	35	5.2
	Minor	46	20	2.9
	Major	41	18	2.6
	Dilapidated	62	27	4.0
	Total	230	100	14.8
QIII	Sub-Neighborhood 7			
	Standard	64	28	4.1
	Minor	89	39	5.7
	Major	37	16	2.4
	Dilapidated	38	17	2.4
	Total	228	100	14.6
TOTALS				
	Standard	526		34
	Minor	422		27
	Major	258		17
	Dilapidated	334		22
	Total	1,540		100

CITY OF ARVIN

PHASE II HOUSING ELEMENT
HOUSING CONDITIONS

Program
Priority Areas:

Legend:

Priority	Sub neighborhd. Number
1	3
2	5
3	4
4	6
5	2
6	7

Substandard

Major Rehab

Minor Rehab

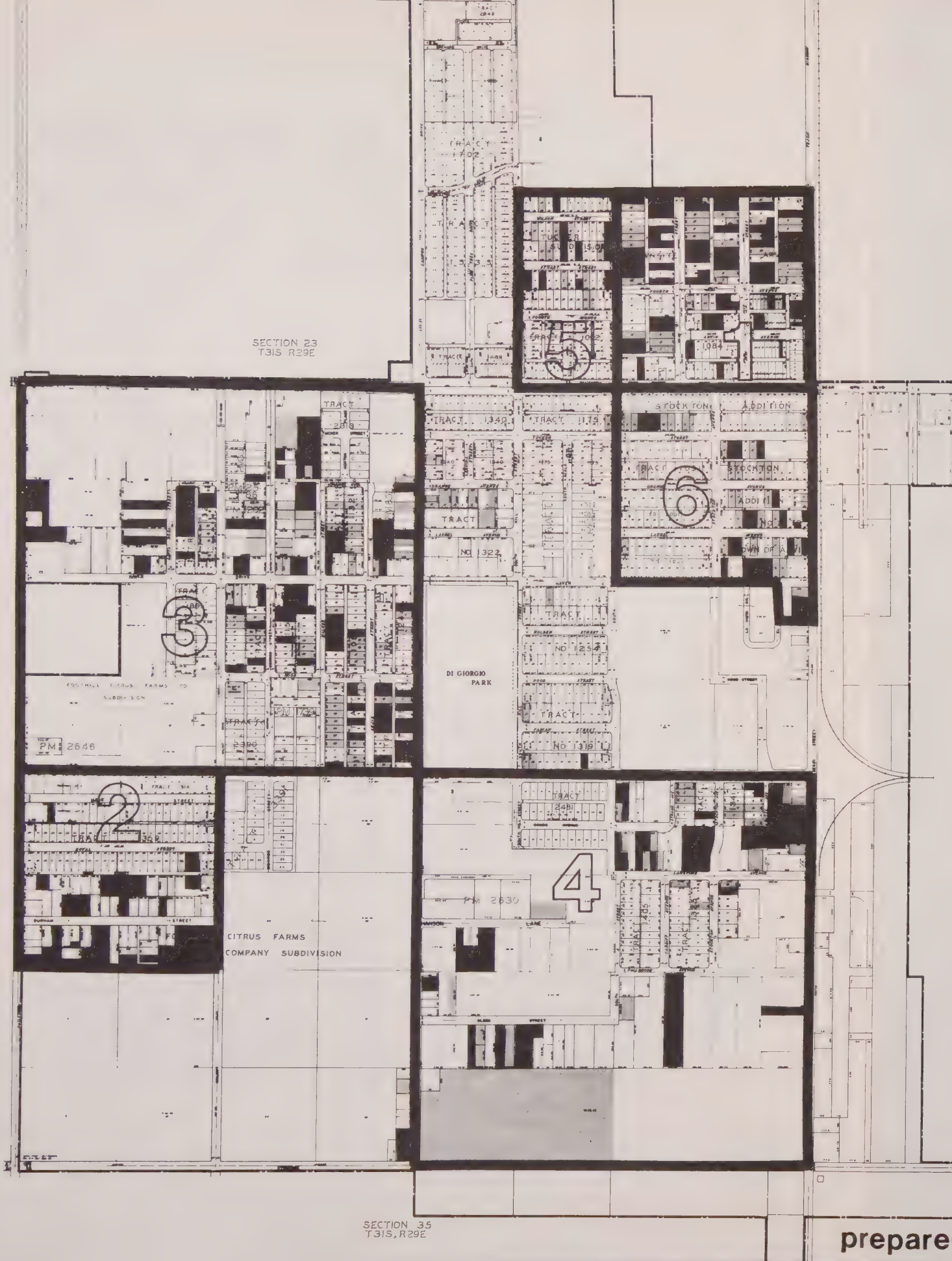
Standard

City Limits

NOTE:
* See page 34 for discussion of priorities.
* Priority assignment is only a policy guide
and does not preclude the location of
housing assistance throughout the community.



DECEMBER 1975



Population and Construction Trends

The Phase I Housing Element projected future population and housing needs as follows:

" Table 3
Population Projections

<u>Year</u>	<u>Popu- lation</u>	<u>Popu- lation per D.U.</u>	<u>Total Units Needed</u>	<u>Units Avail- able(1)</u>	<u>Addn'l. Units Needed for Period</u>	<u>Addn'l. Units Needed Accumu- lated Total</u>
1960	5,872					
1970	5,654	3.5				
1975	6,200	3.4	1,820	1,057	763	763
1980	6,800	3.3	2,060		240	1,003
1985	7,900	3.2	2,470		410	1,413
1990	8,800	3.2	2,750		280	1,693

1) This includes all units except those rated as substandard in Planning Area."

The planning area referred to in Table 3 is Census Tract 63 which covers 9 square miles and includes Arvin. Although the City comprises only 15% (1.43 square miles) of Census Tract 63, it contains 92% of the Tract's population. It is assumed that the bulk of future growth in Census Tract 63 will occur within the incorporated limits of the City.

The June 10, 1975 special U.S. Census for the City of Arvin was 6,014. This figure is only 3% below the 1975 estimate shown in Table 3. The Kern County Planning Commission, Advanced Planning Division, has prepared population projections based on Department of Finance estimates. They project the community to increase to a population of 5,500. These figures are at considerable variance with Table 3 (1990 population estimate - 8,800) and the special census. They reflect recent population trends which were not evident on a State level in 1971.

The basic cause for lowering population projections was the decreasing birth rate. Young persons are marrying at a later age than their predecessors. When they do marry, they are having fewer children, postponing children, or having no children at all. This trend is partially addressed in Table 3 which shows smaller family sizes (population per D.U.) to 1985. However, very recent State Department of Finance data indicates the annual birth is beginning to level off. It showed a 2.3% increase in 1974. The birth rate may continue to increase into the 1980's. There are two reasons for the expected increase; the primary reason is that there were a large number of females born during the baby boom years of the middle and late 1950's. They will be in the 25 to 34 year old age bracket during the 1980's which is the predominate age-span for child bearing. The second reason is that women now entering their late 20's or early 30's are beginning to make up the births they have postponed. An additional consideration relevant to Arvin is that rural communities traditionally maintain larger family sizes than urban areas.

As shown in Table 4, residential building permits began an increase in 1970 which reached a peak in 1973 (48 units). From 1973 to the present, building permits have averaged over 20 per year.

Table 4
Residential Building and Demolition Permits
1970-1975

<u>Year</u>	<u>New Housing Units</u>		<u>Total Valuation</u>	<u>Demolitions</u>
	<u>Single-Family</u>	<u>Multiple-Family</u>		
1970	40	0	123,481	0
1971	12	32	925,667	0
1972	26	2	431,487	1
1973	45	3	680,258	2
1974	18	2	320,295	0
1975	25	2	466,455	2
Total	166	41	\$2,947,643	5

Based on these changing conditions, Table 5 has been developed to reflect what is perceived to be current conditions. The population projections are at variance with both State Department of Finance and Kern County Planning Commission estimates.

Table 5
Housing Needs

Year	Popu- lation	Popu- lation per D.U.	Total Units Needed	Units Avail- able	No.Units***		Addn'l. Units Needed for Period	Addn'l. Units Needed Accumu- lated Total
					Assisted Housing New	Rehab		
1970	5,199							
1975	6,014*	3.3	1,822	1,195**				
1980	6,916	3.3	2,096		67	52	901	901
1990	8,299	3.3	2,515		134	104	419	1,320
2000	9,129	3.3	2,766		134	104	251	1,571

*Special census conducted by U.S. Bureau of Census

**Estimated sound or conservable units

***Estimated need based on uniform replacement or rehabilitation of substandard units

The housing needs shown in Table 5 represent new growth, and replacement housing. There have only been five residential demolitions between 1970 and 1975. The 1975 Special Census indicates that the community is growing at a higher rate than anticipated by recent "slow growth" trends. Current market conditions and anticipated City housing policies indicate this growth rate should continue through 1980, reach a saturation point, and level off to the year 2000. The population per dwelling unit shown in Table 5 has been stabilized to reflect both the 1975 Census figure and the birth rate conditions discussed previously.

The reduction in population projections has offset somewhat Arvin's projected housing needs by 122 dwelling units. However, the community still must effectively double its existing housing stock by the year 2000 in order to provide adequate housing for its residents.

Housing Market Analysis

The Kern County Housing Authority presently has within the City of Arvin, fifty units which were financed under the Farmers Home Administration Act and 60 units financed under the HUD Section 236 rental program. During the period from January, 1975, to December, 1975, there were 10 vacancies in these projects. A minimum of three families per month place applications to the Housing Authority with a waiting list of 50 to 60 families at all times. However, because of the long waiting list and small number of vacancies, many families become discouraged and do not renew their applications. Therefore, the number of families on the waiting list is considered to be low compared to the actual number of families qualifying for government-assisted housing in Arvin.

Two real estate agencies operate in the Arvin area, neither of them carry multiple listings. These agencies receive an average of two rental vacancies a month with the rents ranging from \$85 to \$150. A two bedroom apartment or house rents for approximately \$130. Each agency generally has a waiting list of 5 to 10 families for rentals. In addition, these agencies have approximately 10 homes per month for sale in the Arvin area. They range from 1 to 3 bedroom homes and cost between \$10,000 and \$28,000. The waiting list for these homes is usually 15 to 20 families.

A large demand exists in the area for quality, custom built homes in the \$30,000 range. One real estate agency presently has a list of eight families wanting homes in this price range.

Table 6 is a review of the classified ad section of house sales and rentals for November, December and January issues of the Arvin Tiller and the Lamont Reporter. It indicates the type of homes or apartments which were advertised and their price. This data generally substantiates the conditions cited above. A two-bedroom home is currently selling for an average of \$14,500, while a three bedroom home averages \$23,000.

Table 6
Newspaper* Listings for Nov. thru Jan.

Date	# Bedrooms	Home/Apt.	Rent/Sell	Cost
11/5/75	2	Home	Sell	\$11,500
	2	Home	Sell	8,500
11/12/75	2	Home	Sell	8,500
	3	Home	Sell	12,000
	3	Apt.	Rent	150/mo
11/19/75	3	Home	Sell	21,000
	2	Home	Sell	10,500
	3	Home	Sell	27,500
	1	Apt.	Rent	-
12/3/75	2	Home	Sell	28,000
	3	Home	Sell	24,500
	1	Apt.	Rent	
	2	Apt.	Rent	
12/10/75	3	Home	Sell	24,500
12/31/75	2	Home	Rent	100/mo.
1/7/76	2	Home	Sell	28,000
	3	Home	Sell	24,900
1/14/76	2	Home	Sell	11,000
	3	Home	Sell	28,000
	3	Home	Sell	24,500
	3	Home	Sell	21,000
	3	Home	Sell	23,450
	3	Home	Rent	175/mo
	2	Home	Sell	10,500

*Arvin Tiller, Lamont Reporter

ARVIN HOUSING ELEMENT

PART II

EFFECTUATION PROGRAM

INTRODUCTION

Basic to the effectuation of programs and projects contained in the Housing Element is an understanding of what is expected to be accomplished, how it will be accomplished and by whom. In carrying out an effective yet comprehensive housing program in Arvin, emphasis will be given to a limited number of existing housing programs which are particularly suited to Arvin, a housing strategy which identifies priority areas of the community, local programs related to and supportive of housing, administrative processes necessary to carry out selected projects, manpower requirements to effectively carry out the programs on a continuing basis and potential funding sources. In addition it will be necessary to evaluate community impact of the various housing program applications and to periodically monitor progress towards the established goals and update or revise programs to meet new or changing community desires.

Housing programs, strategies and requirements incorporated in this Element are not highly sophisticated but rather, those activities towards achieving improved housing in the community within "manageable" programs, recognizing that housing and related social problems do not end at the city limits.

Further, it is the intent of this portion of the Arvin Housing Element to outline guidelines which can be easily adapted to other smaller cities in Kern County in carrying out their housing responsibilities.

HOUSING PROGRAMS

A wide variety of housing programs, both public and private, are currently available to the City of Arvin. These programs extend from conventional, Veterans Administration and FHA financing for eligible upper and upper middle income families to the wide variety of HUD and Farmers Home Administration financed or insured low income housing. More specifically, programs which have particular application to Arvin, and which should receive primary emphasis are the following:

HOUSING ALLOCATION PLAN

The Housing Allocation Plan adopted by Kern COG and used in the A-95 process will be developed from those of each city in the area of jurisdiction and the County of Kern. The Housing Assistance Plan (HAP) developed by the member jurisdictions must be compatible with the COG's allocation plan in order to designate the fair share of public assist housing to each community.

SELF-HELP ENTERPRISES (New Housing)

Self-Help Enterprises (SHE) offers an opportunity for low income families to become homeowners through a "sweat equity" program whereby they perform much of their own construction labor. This significant cost savings permits Self-Help Enterprises to offer home ownership to a lower income group than any other agency. Self-Help has used both Farmers Home Administration loans and HUD Section 235 loans for the majority of new home construction.

A typical Farmers Home new construction loan program has the following profile:

- .. Loans are at 8½% interest for up to 33 years.
- .. Federal interest subsidy may reduce interest to 1% based on family income.
- .. Loans cover cost of land and building materials for homes ranging in size from 960 to 1,400 square feet.
- .. Each family agrees to donate 1500 hours of labor to the project.
- .. Projects normally range in size from eight to twelve single family units.
- .. Over 20 different floor plans are available from which to choose the unit most suited to each family.

A typical loan of \$15,500 would be retired at a rate of \$70.00 per month, not including approximately \$350 in taxes per year.

Self-Help Enterprises is experienced, and currently operates new home construction programs in over 60 communities in the San Joaquin Valley, having constructed over 1700 new units throughout the area.

In addition, Self-Help Enterprises is a HUD-approved housing counseling agency to assist families in qualifying for Section 235 loans which require payment maintenance over an extended period. In some instances VISTA volunteers are used for housing counseling in selected communities. VISTA also works closely with Self-Help in providing home ownership training. In this capacity, volunteers assist recruited families to organize into effective groups in order to provide necessary information in preparation for home ownership and home maintenance, along with basic

consumer information. A consumer/housing ownership program in Arvin could enlist the faculty and students at Bakersfield College and Cal State Bakersfield to work with groups of participants in training classes. Typical classes should include furniture purchase and care, household care, minor home repair, sewing, taxes, insurance, landscaping and yard care, and retention of good credit.

Additional programs, tailored to the needs of each identified project area and community, are possible after program initiation.

SELF-HELP ENTERPRISES (Rehabilitation Program)

A unique and relatively new program for low income families is Self-Help Enterprises home rehabilitation program whereby loans are obtained to assist homeowners in modernizing their own homes with assistance from Self-Help Enterprises. This program has been funded by the Community Action Agency in Tulare County and would be eligible for funding through the Kern County Economic Opportunity Corporation.

Initiation of a program in Arvin would require an initial funding of \$1,500 or more per month to off-set overhead costs of Self-Help administration. Thereafter administrative costs would increase relative to the magnitude of the program.

Sources of funds for administrative costs to locally operate the program may be available from grants through Cal State Bakersfield training programs, manpower training or a revolving fund established with Block Grant funds. Loans for the recipients would be solicited from the following sources: private lending institutions, Farmers Home Administration, California Housing Finance Agency, neighborhood preservation programs, Social Security Unmet Shelter Needs Allowance, and others.

In each case the rehab work by the family is under the direct supervision of a Rehab Construction Supervisor supplied by Self-Help Enterprises. He only remains on the job as long as the loan recipients are present and working. Each job is aided by unpaid staff recruited from VISTA, Department of Labor CETA work experience trainees, RSVP volunteers, Manpower trainees, students or other community volunteers.

KERN COUNTY HOUSING AUTHORITY

At the present time the Housing Authority of Kern County operates housing programs for low income families and elderly in the City of Arvin. Administrative means are available to strengthen the City's participation

in these programs through City Council designation of the Housing Authority as the housing agency for the City. At present the Housing Authority operates both a permanent low rent program and a Section 23 leased housing program within the City. Additional programs are expected to become available under HUD Section 8, rental housing, as federal rent schedules are modified to reflect current market levels in the Kern County area.

The City is kept informed of Housing Authority programs, and the full support of the City Council is sought by the Authority prior to the construction of any new projects.

The Housing Authority presently owns 50 units in Arvin, some of which are in need of repair.

If the City adopts a housing assistance plan compatible with Kern COG's Housing Allocation Plan and designates the Housing Authority of Kern County as the city housing agency with authority to receive funds from HUD for permanent low rent Sections 23 and 8 housing, new low income housing may become available to Arvin which are in addition to countywide allocations now received by the Housing Authority. The costs to the City for administrative overhead would be minimal and the benefits in potential new housing for low income and elderly residents would be maximized.

FARMERS HOME ADMINISTRATION LOANS

Home loans to low and moderate income families are available in communities of 10,000 or less in agricultural areas of the State. These low interest, long term loans are available to developers meeting the minimum standards as established by the Farmers Home Administration regional office in Woodland, California. Several private developers have constructed homes in Arvin with low interest loans under this program. Elderly housing is also eligible for similar loans under the Farmers Home program, providing improved shelter for senior citizens within the community. A total of 50 Farmers Home Administration financed homes are under construction in the community. It is a viable program which is expected to continue.

HUD SECTION 8 HOUSING

This program is a relatively new lower income housing assistance program eventually replacing Section 23 leased housing, which places new limits on eligibility and rent schedules with rents paid directly by tenants - no less than 15% of gross income and not more than 25%. Assisted dwellings may be purchased for resale to tenants. This Housing Authority-operated program generally replaces several older previously authorized federal rent assistance programs, i.e. 221(d)2, 221(d)3, etc.

HUD - OTHER HOUSING PROGRAMS

Several Federal housing programs in which the City has no involvement will continue to function within the City of Arvin. Examples of these programs include:

Section 202 Program. Involves direct loans to builders for the development of rental housing for the elderly and handicapped.

Section 203 (b). HUD insures lenders against loss on home mortgage loans. Known as the FHA Mortgage Guarantee Program.

Section 203 (k). HUD insures lenders against loss on loans made to finance the alteration, repair, or improvement of existing one-to-four family housing not within urban renewal areas.

Section 235 (i). A program available to qualifying moderate-income households using newly-constructed, rehabilitated or existing structures. Assistance payments are made by HUD directly to the lender, thereby reducing the effective interest rate paid by the homeowner.

Section 236. This program is being de-emphasized by HUD, to be replaced by Section 8; however, assistance payments are made by HUD to the developer, and the benefits are passed on to qualifying moderate-income families in terms of lower rental rates.

Section 115. Allows capital grants of up to \$3,500 to low-income households living in HUD-designated urban renewal areas for rehabilitation of housing units they own.

Section 116. Grants for demolition of unsafe structures (Housing Act of 1949).

Section 117. Grants for code enforcement.

Section 220. Mortgage insurance for new and rehabilitated homes and rental housing in urban renewal areas.

Section 220 (h). Insurance of loans for repair and rehabilitation of homes and multi-family housing in code enforcement areas.

Section 312. Section 312 allows three percent loans for rehabilitation of properties in urban renewal areas, code enforcement areas, or areas likely to become one or the other. This provides an interest rate reduction subsidy. Loans are limited at present.

There are other Federal programs such as Veterans Administration housing loans, etc., that will be ongoing; however, those listed above are the major housing programs in which there is no City involvement.

CALIFORNIA HOUSING FINANCE AGENCY (CHFA) Low-Income Loans

Direct construction and rehabilitation low interest loans are available through the California Housing Finance Agency from a combination of State bond funds and Federal HUD Section 8 funding, including \$300 million in tax-exempt revenue bonds and \$150 million in taxable revenue bonds.

Key programs being developed by CHFA are: (1) direct loans to developers of multi-unit, rental housing throughout the State, including neighborhood preservation areas; (2) rehabilitation loans and insurance loans made by other financial institutions in neighborhood preservation areas; (3) the purchase of mortgages on one to four family, owner-occupied dwellings originated by qualified mortgage lenders; and (4) construction loans for FHA insured loans and Farmers Home Administration permanent loans.

In addition to specific criteria requirements for loan eligibility by the recipients, CHFA considers several other factors during the loan process which indicate city involvement in housing programs. These factors include: a commitment of city services to the area, provision of full public improvements in the housing area and a commitment by the city to utilize other available State and Federal monies to improve site environs.

This funding source will continue to be viable over the short term. A referendum for an additional \$500 million bond issue is expected to be on the ballot in November, 1976.

PRIVATE SECTOR/CITY FUNDING

A primary source of local private financing can be the participation of local branch banks in the funding and processing of low-interest loans for housing rehabilitation, either as sole financiers of the program or with partial City financing.

A variety of local programs have been initiated throughout the State. An example of a housing program that can be financed by local-branch banks in Arvin or Bakersfield is:

Creation of a loan pool by local financial institutions from which the City can borrow funds at a low interest rate ($4\frac{1}{2}\%$) to be used for loans to qualified homeowners for correcting deficiencies identified in the code enforcement program. The funds borrowed by the City are loaned at a higher interest rate ($5\frac{1}{2}\%$ -6%), the interest differential being used to offset administrative costs of the City and establish a reserve fund in case of default.

The $4\frac{1}{2}\%$ loan is attractive to financial institutions as the interest is tax-exempt, making the loans as profitable as those at higher interest rates. In addition, the financial institutions create community goodwill because of their involvement in a housing program.

Applicants for the loans must meet Federal Section 312 Loan Program requirements for low income families. The maximum loan would be \$15,000 for a period not to exceed 15 years, and would be secured by a deed of trust to the City on the real estate being improved.

It is conceivable that local private interests might be persuaded by the City to participate in other phases of the recommended programs; to provide cooperatively, other private lending programs targeted at improvement of housing in the priority housing conservation areas; to provide building material discounts and/or building skills instruction for homeowner rehabilitation projects; to provide housing counseling services on a cooperative basis between local lending institutions.

Such private sector participation in the financing and achievement of Housing Element objectives will not materialize without a concerted and continuing effort on the part of the City to inform private organizations of the mutual benefits of Plan implementation and to enlist their participation.

Other examples of housing rehabilitation programs utilizing combinations of private and City financing and/or administration include:

- A. The City refers potential borrowers for housing rehabilitation to a local-branch bank participating in the program. For each loan made by the bank to a qualified borrower, the City deposits a like amount in a non-interest bearing account of the bank, thereby permitting the bank to lower its prevailing interest rate for the rehabilitation loan made under the program. The non-interest bearing account of the City is debited by the bank for the unpaid interest and principal on any loan which is in default for a period of 90 days.

The effective interest rate to the borrower of 3 3/4% is supported by a 100% deposit by the City. The loan maturity date is not to exceed 15 years, fully amortized in equal monthly payments. As the principal amount of the debt is reduced, the bank returns the surplus portion of the supporting deposit to the City on a monthly basis.

The loan is secured by a deed of trust on the real property being improved and by the deposit made by the City.

For unqualified borrowers (in the judgment of the bank) the City may elect to fund such loans directly, with the bank assisting in drawing up the necessary papers for a nominal fee.

This type program is currently operated by the Bank of America. Another such program is available through the Wells Fargo Bank.

- B. Establishment of a revolving loan fund by the City for the rehabilitation of households which do not meet building code standards. These loans would be offered at a low interest rate (6%) to qualified borrowers; however, the drawing up of the necessary paperwork, issuance of loan repayment coupons, collection of monthly payments, etc., would be provided by a local cooperating financial institution for an initial fee of \$37.50 per borrower and a low monthly service fee. Loans would be secured by a deed of trust on the real property being improved which is retained by the City.

This type of program allows the City to make housing rehabilitation loans with the primary administrative workload being handled by the cooperating financial institution.

- C. City creation of a revolving fund to support the administrative costs of housing rehabilitation for low income households performed by Self-Help Enterprises, Inc. (SHE) of Visalia. Self-Help Enterprises is experienced in development of new, low-cost housing and is now actively engaged in a housing rehabilitation program, previously noted.

The establishment of a fund of \$50,000 by the City would finance the administrative costs for the rehabilitation of 25-30 homes, according to SHE officials, depending upon the extent of rehabilitation of each unit. The administrative personnel of SHE make cost estimates of rehabilitation, obtain the necessary financing for the purchase of materials for the homeowner, and supervise construction of the project. (See Appendix for typical program developed for a larger jurisdiction.)

Self-Help provides certain construction materials at significantly lower-than-market prices, obtains discounts on other materials, and using trained craftsmen sponsored by a variety of government programs, assists the homeowner in completing the project. The program offers an opportunity for low-income households to upgrade their living conditions if they will perform much of their own construction labor. Self-Help provides the labor for rehabilitation of homes owned by the elderly and handicapped.

- D. A rehabilitation program designed after the Chico Housing Improvement Program (CHIP). A key element of the program is that college students in terminal vocational courses provide free labor for housing rehabilitation projects if the homeowner will provide the materials. The student labor, from Bakersfield College and Cal State Bakersfield, could be subsidized through the Community Development Program and programs of the Office of Education. Administrative personnel make estimates of the costs of rehabilitation, as well as assist the homeowner in acquiring low-interest loans through local financial institutions.

Involvement of the City would be limited to financing the administrative costs of the program.

- E. Initiation of a local code enforcement program whereby housing units within the study area or designated conservation areas are required to meet building code standards at the time of sale of the property. The establishment of a revolving low interest (3%) loan fund, from the City General Fund would permit issuance of rehabilitation loans to homeowners. In return, the City would receive second mortgages

on the properties and may elect to (1) hold the mortgage unpaid until the property is resold, (2) collect only the interest on the loan until the property changes hands when the encumbrance becomes due and payable or (3) collect the loan on a standard amortization schedule.

- F. Development of a neighborhood revitalization program wherein the City offers free inspection services, using trained college students, to identify the nature and extent of needed repairs and make estimates of the costs of improvements. Additionally, the City might assist homeowners in identifying competitive home repair and maintenance contractors, obtain commitments from local building materials manufacturers and suppliers to provide discounts on materials to the program participants preferring to do the work themselves, and assist in acquiring low-interest home improvement loans for the homeowner through local financial institutions as indicated in this report. This type of program would require additional City personnel to oversee the program and work with the students.

HOUSING ALLOCATION SYSTEM

INTRODUCTION

A Housing Allocation System is a method for distributing housing units within a given geographical area or to a specific jurisdiction. It is intended to accomplish the following:

- a. Provide for maximum, effective utilization of housing programs.
- b. Provide a choice of housing types and locations within a given urban area.
- c. Establish a housing distribution methodology which can be easily understood and can be updated from readily available data sources.
- d. Be applied at the City and County level in the allocation of assisted elderly housing, large family housing, publicly assisted rental housing and publicly assisted family housing.

The Housing Allocation System proposed for Kern County is comprised of two allocation models - a "macro model" designed to equitably distribute housing units among various geographical areas of the County, and a "micro model" which can identify general locations within each urban area that are suitable for construction of public-assisted housing units. Formulation of these two models, as identified below, are based on several underlying assumptions:

- a. Public-assisted housing will only be allocated to urban areas (primarily incorporated cities) that can provide attendant support facilities and services such as water, sewer, solid waste disposal and police and fire protection.
- b. The number of housing units to be allocated each year will be sufficiently low as to be easily absorbed within properly zoned land that is available to utilities.

- c. The nature of state or federal housing programs (i.e. Housing Assistance Plan - HAP) to be utilized by the County and its cities will determine housing types (apartment or detached single family).
- d. Private sector housing is not presently a consideration of the Housing Allocation System.
- e. The macro model directly addresses only the assignment of an annual percentage of housing units to a given geographical area. This allocation percentage factor is also meant to represent a general commitment of related, county-wide housing resources to the area. These resources would include administrative support and other program support - homeowner counseling, inspection programs, etc.
- f. It is assumed the macro model will be applied annually as the annual HUD program support is determined. This, the criteria upon which the model is based and the assumptions presented here should also be reviewed on an annual basis to determine their continued suitability for application to the annual programs.

THE MACRO MODEL

The macro model consists of a series of criteria which describe various conditions evident in the County and are related to housing need, particularly low-income housing need. A multitude of criteria, or data items, are available for inclusion in the model. However, the number included here are necessarily limited in order to maintain an uncomplicated, manual methodology. They have been selected because they are most representative of county-wide housing conditions when considered within the context of limited data availability for rural areas.

Criteria:

- a. Population Ratio - The comparison of a geographic area's population to the County total. This criteria ranks the area in relation to other areas or jurisdictions in the County. The intent is to insure housing allocation on a level which will not adversely impact public services in a given area, i.e. smaller areas cannot absorb as many units as a larger area. (Source: State Department of Finance annual estimates or U.S. Census benchmarks.)
- b. Growth Rate - The annual percentage population increase of an urban area. This is an indicator of the area's relative economic stability. An employment rate would be a more useful indicator; however, it is not available on a localized annual basis. (Source: State Department of Finance annual estimates or U.S. Census benchmarks.)
- c. Housing Improvement Rate - New construction minus demolitions, divided by the existing housing stock total. This is an indicator of community progress towards meeting its housing needs. (Source: Annual Building Department construction and demolition permit records.)
- d. Dilapidated Housing - The ratio of dilapidated units and sound units in the geographical area as compared to the county-wide ratio. This criteria may result in a percentage factor greater than 100% which merely indicates the particular geographical area has a greater concentration of dilapidated units than the county-wide average. This criteria is an indicator of the general magnitude of housing stock need in a given community. Its primary limitation is that it is not normally updated annually, and the standards used to classify are not uniform nor uniformly applied. (Source: General Plan Housing Element.)

- e. Low Income Households - The comparison of a geographical area's number of low income families to the County total. This criteria yields a percentage figure which is an indicator of housing market need. HUD has defined a household as low income if its annual income is less than 80% of the County median income. The disadvantage of this criteria, like the previous one, is that it cannot be updated on an annual basis. (Source: U.S. Census)
- f. Equal Share - An even percentage assigned to each geographical area equal to 100% divided by the total number of geographical areas being considered. This criteria attempts to equalize housing allocations to each area or jurisdiction, therefore lessening somewhat the weight of the first criteria discussed previously - population ratio.

Methodology

Calculation of each criteria results in a percentage number. The percentages are added together to yield a total percentage score. Consideration can be given to emphasizing a given criteria by multiplying it by an agreed upon factor. In this instance, none of the six criteria have been given additional weight. The individual geographical area totals are then added together to produce a County total. A "composite percentage" is then derived by dividing the geographical area percentage total by the County total. The composite percentage is then the distribution percentage for each geographical area.

MICRO MODEL

Once the macro model has determined the annual number of housing units to be allocated to a given geographical area or jurisdiction, the micro model can be applied to determine generally which portions of the geographical area should receive priority for such units. The micro model will be most useful to larger jurisdictions such as the City of Bakersfield. Smaller communities can utilize their Phase I Housing Elements which were prepared through the auspices of the Kern County Council of Governments and adopted, in most cases, in 1972. The Housing Element identifies portions of the community which are suitable for low to moderate income housing based on such criteria as condition of housing, neighborhood environment, concentrations of low-income households, etc.

The micro model utilizes similar criteria. However, it applies the criteria to a point system which results in a suitability ranking. The portion (neighborhood area) of the geographic area to which the ranking will apply should follow enumeration district boundaries where possible in order to maintain data consistency and simplify update requirements.

Criteria:

- a. Concentration of Dilapidated Housing - A need for replacement housing is indicated by high concentrations of dilapidated units. The following point assignment is recommended:

Existing Concentration of Dilapidated Units	Point Assignment
Twenty (20) or more units	3
Ten (10) to nineteen (19) units	2
Five (5) to nine (9) units	1
Less than five (5) units	0

- b. Land Availability - Land which qualifies for this criteria must be available to utilities, particularly water and sewer, and is properly zoned for the proposed use (single or multiple family residential). Individual parcel sizes are relatively unimportant since one of the goals of HUD assisted housing programs is to avoid concentrating public assisted units in one area. The primary problem associated with developing scattered small parcels is related to increased administrative costs. The important consideration, then, is the aggregate number of acres (parcels) available in a given neighborhood which can accommodate an annual allocation of a specified number of housing units.

The recommended point assignments are as follows:

Available Acreage	Point Assignment
More than two (2) acres	3
More than one (1) to two (2) acres	2
One half ($\frac{1}{2}$) to one (1) acre	1
Less than one half ($\frac{1}{2}$) acre	0

- c. Number of existing units receiving assistance - In order to minimize the traditional negative impacts associated with a concentration of assisted units, care must be taken not to locate additional assisted units in areas of existing concentrations. This can be accomplished by distributing future housing to areas other than those with present concentrations. Points are given as follows:

Existing Concentration of Assisted Units	Point Assignment
Less than fifteen (15) units	3
Fifteen (15) to twenty-five (25) units	2
More than twenty-five (25) to forty (40) units	1
More than forty (40) units	0

Methodology:

The points given to each of the three criteria are added together to produce a composite score. The composite for each of the neighborhood areas within a planning district will range from zero (0) to nine (9). Neighborhood areas with the highest composite are most suitable for the location of assisted housing.

Location Standards:

As indicated previously, an effort should be made to avoid concentrating public assisted housing in one or two neighborhood areas. In order to accomplish this objective the following standards are recommended:

- a. Multiple family housing will be duplex construction only and have no more than three duplex units at any one construction site. Single family detached housing will be a maximum of fifteen (15) units at any one construction site.

- b. Construction sites containing more than six (6) units shall be separated by a minimum distance of 2,500 feet (approximately three residential blocks). The distance shall emanate 360° from the peripheral boundary of the site. This separation shall be reserved for the location of conventional housing or open space. However, whenever the strict application of these requirements would effectively reduce the construction of assisted housing in a census area otherwise suitable for housing development, the spacing requirement may be modified so as to provide for the housing need while still avoiding concentration.

HOUSING STRATEGY

Effective development of a range of housing programs which meet the housing needs of Arvin requires a multi-faceted strategy combining the resources of both public and private groups.

Limited funding resources require the identification of priority areas for housing conservation and replacement in order to select and evaluate the most effective and feasible means to improve community-wide housing conditions. Methods available to meet the housing needs in selected areas include implementation of a "Red Tag" enforcement program, initiation of housing rehabilitation programs, support for new housing through public and private investment, adoption of housing related programs such as property maintenance ordinances, implementation of an administrative program geared to deal directly with the identified housing problems, develop in-house staff capabilities to carry out city programs, develop or identify financial resources to support the programs and monitor progress towards meeting the adopted housing goals and objectives. These elements of a housing strategy can be approached in the following manner:

PRIORITY AREAS

The condition of housing in Arvin was determined through a survey conducted by the City of Arvin and the California State Department of Housing and Community Development by an analysis of various structural and environmental features of individual dwelling units in order to determine housing conditions. (Shown in Part I, Housing Update.) Based on the housing survey and socio-economic factors in each neighborhood, the following priorities and suggested programs were selected:

<u>Priority</u>	<u>Area</u>	<u>Programs</u>
1	<u>Sub neighborhood 3</u> (86% substandard)	"Red Tag", rehabilitation, new construction of apartments. Rezoning for apartments & property maintenance.
2	<u>Sub neighborhood 5</u> (45% substandard)	"Red Tag", rehabilitation, property maintenance, new single family.
3	<u>Sub neighborhood 4</u> (51% substandard)	"Red Tag", rehabilitation, new housing construction, Section 8, permanent low rent.
4	<u>Sub neighborhood 6</u> (29% substandard)	"Red Tag", rehabilitation, new housing construction, Section 8.
5	<u>Sub neighborhood 2</u> (50% substandard)	Rehabilitation, Section 8; property maintenance, new housing construction
6	<u>Sub neighborhood 7</u> (50% substandard)	"Red Tag", rehabilitation, new housing construction, Section 8, property maint.
7	<u>Sub neighborhood 1</u>	Property maintenance.

All of the above neighborhoods exhibit needs for continuing maintenance of streets, curbs and gutters and sidewalks. Adoption and enforcement of a Property Maintenance Ordinance (see appendix) and an abandoned vehicle ordinance to provide basic environmental controls throughout the community, is desirable.

Low and moderate income housing can be constructed on vacant residential lots in all neighborhoods. Additional units can be accommodated by replacing substandard housing with standard housing through the "Red Tag" removal process and application of the various housing programs available. The City Building Department would initiate a community survey to determine exact locations and conditions of potential "red tag" properties. The recently completed Condition of Housing Survey, shown on Plate 2, could be the basis of such a survey. Thereafter the "red tag" process described in Appendix E would be initiated to improve or remove the substandard dwellings.

ENVIRONMENT ENHANCEMENT

In support of a comprehensive housing program, the City of Arvin should consider enactment of, and effectively enforce if enacted, municipal ordinances providing for the removal of abandoned vehicles, and providing procedures for required cleanup of non-maintained properties through programs indicated below:

Abandoned Vehicles

The Council should consider adoption of an abandoned vehicle ordinance, incorporating effective removal procedures, to rid the city of unwanted and unused vehicles and vehicle parts located on private property.

Property Maintenance

Encouragement of new and rehabilitated housing in the community should be supported by a property maintenance ordinance, vigorously enforced, to maintain a high level of private property maintenance in existing neighborhoods and commercial areas. Such an ordinance is contained in Appendix F. It declares unkept property to be a public nuisance and establishes criteria to which property in the community must conform. Hearings are held by the City Council or Planning Commission and Notice to Abate Nuisance issued to the property owners found to be in violation.

Public Improvements

In certain areas of the City, public improvements remain to be installed, particularly curbs and gutters, storm drainage and similar improvements. Notable for lack of one or more public improvements are sub neighborhoods 3 and 4. Allocation of a portion of Community Development Block Grant funds, or as an alternative, initiation of public improvement districts, would be appropriate to complete the necessary construction. In many instances,

the 1911 Public Improvement District Act (short form) would provide an easily administered and effective vehicle to accomplish the improvements. (See Appendix H).

ADMINISTRATIVE PROCESS

Adopt Resolutions and Ordinances

In order to effectively carry out a housing program it will be necessary to prepare and adopt a series of resolutions and ordinances initiating each of the programs. In addition, resolutions may be required to designate staff responsibilities, authorize staff participation and expand staff positions if necessary.

Listed below are suggested ordinances and resolutions for Council adoption to implement the housing programs.

Ordinances

1. Adoption of Phase II Housing Element after hearings.
2. Adoption of Abandoned Vehicle Ordinance.
3. Adoption of Property Maintenance Ordinance.

Resolutions

1. Establishing the Kern County Housing Authority as the City Housing Agency.
2. Establishing the various selected rehabilitation loan programs; City C.D.P. funds, support of private banks; limited funding of Self-Help Program, etc.
3. Adopting housing conservation area (target area) priorities.
4. Adopting a housing assistance plan for Arvin designating the number of low and moderate income housing units needed by type, i.e. elderly, public housing, rehabilitation, apartments and single family.
5. Providing financial assistance to Self-Help Enterprises to off-set administration costs if Self-Help program is one of the Council-selected programs.
6. Initiating a Code Enforcement Program (Red Tag) throughout the community.

As the housing program progresses, additional ordinances and resolutions will be required to maintain and expand the programs and to acquire new funds as they may become available through new State and Federal sources.

Staff Organization

Organizing for improved housing programs in the community will require a shift in current City staff responsibilities, designation of new responsibilities and, possibly, staff expansion.

Overall program coordination should be under the direction of the City Administrator. It is he who has the best access to information which may effect any or all housing programs. He must weigh each program with respect to its political, economic, staffing and social impacts in the community. He is also the person most closely in touch with the City Council who must, ultimately, approve or disapprove of all programs and funding.

Program selection and detailing should be the responsibility of the City Planner in cooperation with the building department and City Administrator. Recommendations of type of program, necessary staff reports outlining the advantages and disadvantages of each program and suggested timing should be included in the responsibilities of the department recommending housing programs.

Property investigation and inspection for housing and building code violations should be the responsibility of the building/housing inspector and County Health Department. Separate and individual procedures will be required for each new program adopted and initiated through the building department. (See various programs in Appendix.)

Record keeping and updating, filing of notices and preparing posting notices under the "Red Tag" program should be properly initiated through the City Clerk's office with assistance from the building inspector. Actual notice posting in the field would be by the building/housing inspector and/or fire department personnel if available.

Removal of structures under the Code Enforcement Program ("Red Tag") would normally be accomplished by the Fire Department burning the structure, after owner release, with lot cleanup by the Public Works Department. An alternate method is owner removal by agreement if building materials are to be salvaged. (See details of program in Appendix E.)

Manpower Requirements

Personnel required to initiate and carry out the recommended programs would be limited during the first two or three years to existing full-time staff, plus a part-time building inspector and part-time planner. Additional manpower to carry out the programs in the field would be provided by other agencies such as Self-Help Enterprises, County Health Department and Fire Department. It is anticipated that existing supportive public

agencies could absorb the increased workload into their routine based upon a housing rehab and "Red Tag" program of 20 to 35 units per year. The major new personnel related workload to the City would be the building/housing inspector and planner. The level of activity recommended would require the following manpower:

<u>Position</u>	<u>Time Involvement</u>	<u>Annual Estimated Cost*</u>
Planner	25% of time (This position currently being funded through Kern COG 701 Program. No additional personnel required.)	\$ 5,000
Building Inspector	50% or	\$10,000
Part-Time Housing Inspector (Retired Contractor)	50%	\$ 7,500

*including overhead and benefits

Demolition of substandard structures and lot clean up are anticipated to be incorporated into the current fire department and public works program. Additional equipment, such as a skip loader, dump truck or other major equipment may be required to effectively inaugurate the program. Capital costs for these items can be combined with street department or other public works equipment requirements.

Funding

In addition to fund sources previously identified for home construction and rehabilitation, money will be required to offset city manpower and equipment requirements. Currently available sources include:

1. Community Development Block Grant funds or revenue sharing funds. These sources are uncertain for long range fund commitment.
2. General funds. This source is the most dependable for continuing programs; however, new programs funded from this source may detract from other worthwhile community projects.
3. Inspection fees. Limited funding for program implementation may be obtained from special inspection fees attached to inspection for "Red Tag" or rehab properties. This tends to be a regressive cost to homeowners; however, rental unit owners are normally able to spread the cost over a greater number of units and a longer period of time.

4. Special categorical grants may be available through CETA, Manpower, Community Action or other job incentive programs.

Other categorical grants may be available from HUD, Farmers Home Administration or Economic Development Administration if new housing, and its related job creation, becomes a major part of the housing program.

Update

Continuous surveillance and monitoring of the various housing programs, both private and public, is required to measure progress against the identified housing goals and objectives of the Arvin Housing Element. A monthly and annual housing check sheet should be developed, identifying specific housing programs, code enforcement, rehab, public housing and private construction to effectively measure progress. From these check sheets an annual report of progress should be prepared detailing areas in which progress has been made and identifying constraints to adopted programs. Annual review of the program with citizen advisory committees, Planning Commission and Council will provide the basis for identifying new housing needs, shifting program emphasis and developing new approaches to meet changing needs.

Concluding Statement

Like any planning document, this Housing Element is not an end product. Rather, it represents the beginning of an approach to housing problems not previously addressed in Arvin. In addition, this document is intended to provide greater understanding of the manner in which housing functions within a comprehensive community development program. With greater understanding and coordinated efforts, the City of Arvin will make significant progress towards the resolution of its housing problems.

APPENDIX

- A. Wells Fargo Bank, Rehabilitation and Construction Program
- B. Bank of America, Property Rehabilitation Loan Agreement
- C. Self-Help Enterprises (SHE) Typical Home Rehabilitation Program
- D. City Residential Rehabilitation Loan Program
- E. Local Code Enforcement Program (Red Tag)
- F. Typical Property Maintenance Ordinance
- G. California Housing Finance Agency Background and Programs
- H. 1911 Improvement District Act

APPENDIX A

WELLS FARGO BANK REHABILITATION AND
CONSTRUCTION LOAN PROGRAM, EXAMPLE OF



WELLS FARGO BANK

NATIONAL ASSOCIATION

August 21, 1975

Redevelopment Agency
City of
315 S. Johnson Street
, CA 93277

Attention: Mr.
Urban Renewal Director

Dear

Since our initial meeting regarding the rehab and substandard housing needed in North under the auspices of the Redevelopment Agency, I have reviewed the requirements and related Bank fees with my division headquarters. The Bank has concurred in all respects to the terms, requirements, fees, etc. discussed at our meeting in early August. These are as follows.

1. Rehab loans. We will act as collection agent for you on rehab loans funded by the Agency. Our function will consist of accepting payments either through the mail or at the Bank, providing suitable payment books for customers, and maintaining accurate records showing the disposition of funds between interest and principal. It is my hope these funds as collected can be maintained in an account relationship with Wells Fargo Bank. Fees for this service consist of a \$5.00 setup fee for each rehab loan and \$1.50 per month to cover the monthly activity. We will notify you of five and ten-day delinquencies so that you may take whatever collection activities you feel are appropriate. We will not initiate or participate in collection efforts on delinquent payments.

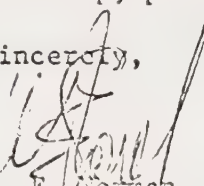
Although we have not finalized our arrangements we would be very interested in funding loans that would qualify under our low income loan program should your HUD funds be insufficient to carry the entire program.

2. Substandard homes which require total replacement can be funded under our low income real estate loan program. At your request we have reserved \$50,000 through 12-31-75 and \$250,000 through 12-31-76. Should the total loan requirement change these figures can be considered general guidelines rather than absolute maximums. However, we should be informed as early as possible if it appears additional funds might be necessary.

Loans will be funded under our LIFT program and will be subject to the credit and income standards indicated on attached Exhibit A.

We are ready to initiate loans at your convenience. If you have any questions or if we can be of further help, please call me.

Sincerely,


W. E. Norman, Jr.
Assistant Vice-President
and Manager

WEN:gn
Attachment

EXHIBIT A

REAL ESTATE LOAN PROGRAM LOW INCOME BORROWERS

Wells Fargo Bank has developed a program to assist those borrowers considered low and moderate income groups. This program is subject to the following criteria.

Eligibility

- A. No maximum income requirement.
- B. Continuous employment for two years with one or more employers. If an agricultural worker, seasonal nature of employment will be considered.
- C. Two years residence in local areas.
- D. Maximum income to debt ratio of 50%, including rent or home payment including real estate taxes.
- E. Credit record should not show flagrant slowness or non-payment without satisfactory explanation. Lending officer shall weigh individual circumstances in reviewing past credit performance, but must not discard two credit essentials which must apply to low income borrowers as to all others:
 - 1. Integrity of the borrower (character); and
 - 2. Reasonable expectancy for repayment (capacity).

Rates

Standard rates will apply, plus $\frac{1}{2}\%$ on loans under \$10,000.

Terms

Ten years to twenty years depending upon the repayment capacity of the borrower.

Loan Fees

- A. $1\frac{1}{2}\%$ of loan with minimum fee of \$150 existing property.
- B. 2% on loan with minimum fee of \$150 in to-be-built or construction loan.

Purpose of the Loans

- A. Refinancing for purpose of improvement of the property.
- B. New construction.

Security

First Deed of Trust.

Documentation

- A. Copies of:
 - 1. Qualifying form
 - 2. Site occupant record
 - 3. Property acquisition letter
 - 4. Improvement contract or cost breakdown
- B. Letter from redevelopment agency clearly stating:
 - 1. Established lot value
 - 2. Amount to be paid for the existing improvements if applicable
 - 3. Cash grant for which applicant is eligible
 - 4. Total liens and other charges to be paid
 - 5. Net equity funds to be available for improvements
 - 6. Total costs of improvements
 - 7. Loan required
 - 8. Maximum monthly payment allowed
- C. Legal description of property.
- D. Plans and specifications if for new construction.

Other

- A. An ALTA policy of title insurance with the usual endorsements.
- B. Fire insurance as required by Bank.
- C. Bank's appraisal report.

APPENDIX B

BANK OF AMERICA, PROPERTY REHABILITATION
LOAN AGREEMENT, EXAMPLE OF

A G R E E M E N T
PROPERTY REHABILITATION LOANS

THIS AGREEMENT is made by
a municipal corporation, herein called "City", and BANK OF
AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a national
banking association, herein called "Bank".

R E C I T A L S

A. City has authorized a Housing Rehabilitation/
Code Enforcement Program (as amended and modified from time
to time, herein called "Program").

B. As part of City's implementation of Program,
City has requested Bank to make below-market interest rate
property rehabilitation loans ("Loans") to certain owners
of real property within City and approved by City as recip-
ients of Loans ("Applicants"). The purpose of Loans would
be the rehabilitation of said real property in accordance
with Program.

C. Bank is willing to consider making Loans to
City-approved Applicants using its own prudent banking
judgment, and where Loans are made, to make them on the
terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing and the mutual agreements made herein and for other good and valuable consideration, City and Bank agree as follows:

1. At the request of City, Bank, through its _____ shall consider making Loans to Applicants directed to Bank by City.

2. City shall furnish to Bank, with respect to each Loan application:

(a) a breakdown of the costs involved in the rehabilitation work to be performed on Applicant's real property;

(b) a description of the work; and

(c) an estimate of the value of the real property offered as security for the Loan.

3. Bank shall perform its customary credit evaluation with respect to each Applicant, make its judgment with respect to the credit worthiness of each Applicant, and inform a designated representative of the City of such judgment, and if the City desires that the Loan should be made, Bank shall make the Loan to the Applicant. In the event the City wishes Bank to make a loan to an Applicant which does not qualify as a Loan because of noncompliance with Paragraph 4(a), (b) and (c) below, Bank shall make the loan and promptly thereafter assign such loan to the City in the same manner as for defaulted Loans described

in Paragraph 5 below. City shall promptly thereafter pay to Bank its out-of-pocket expenses but in no event less than THIRTY-SEVEN DOLLARS AND 50/100 (\$37.50) nor more than SEVENTH-FIVE DOLLARS AND NO/100 (\$75.00) for each loan so made.

4. Each Loan made by Bank to an Applicant shall be documented using Bank's standard forms therefor, current samples of which are attached hereto as Exhibits A through H, and by this reference incorporated herein; and

(a) shall be discounted at a rate which shall provide a yield to Bank of three and three-fourths percent ($3\frac{3}{4}\%$) per annum assuming payment according to its original tenor, payable monthly;

(b) shall be amortized in equal monthly installments over a period of years as determined by Bank for the Loan in question but not to exceed fifteen (15) years;

(c) shall be secured by a deed of trust covering the real property which is the subject of the rehabilitation for which the proceeds of the Loan are to be used; and

(d) shall be supported by a non-interest-bearing time deposit (open account) made by the City in an amount at all times at least equal to the unpaid principal amount of all Loans. A relevant deposit to such account shall be made before Bank Loan funds are advanced to an Applicant. At the end of each calendar month during the term of this Agreement, Bank shall remit to City the amount of such deposit in excess of the amount required by this Agreement.

City hereby assigns said deposit to Bank for the purpose set forth in Paragraph 5 below. Except as specifically required by this Agreement, City waives any right it may have to require Bank to: (i) proceed against any Applicant or other person; (ii) proceed against or exhaust any other collateral for the relevant Loan; or (iii) pursue any other remedy in Bank's power; and waives any defense arising by reason of any disability or other defense of an Applicant or any other person, or by reason of the cessation from any cause whatsoever of the liability of an Applicant or any other person.

5. Any Loan made by the Bank which remains in default for a continuous period of ninety (90) days on account of nonpayment of any sum of money due pursuant to the terms thereof or of any instrument or document related thereto, shall be purchased by the City for an amount equal to the then outstanding principal balance of the Loan plus unpaid earned discount thereon.

Said purchase shall be accomplished by:

(a) the due endorsement by the Bank to the City of the promissory note evidencing such Loan, without recourse or warranty;

(b) the debit by Bank to the deposit account securing the Loans in an amount equal to the purchase price therefor; and

(c) the delivery of the promissory note and all other documents relating to the Loan to the City.

During any ninety (90) day default period, Bank shall perform its customary collection procedures with respect to each Loan, but after the sale thereof to the City, shall have no responsibility for collection or otherwise with respect thereto. Bank shall, however, for its customary fees therefor, accept such Loans from City for collection purposes only, pursuant to Bank's then current installment collection procedures.

6. The term of this Agreement shall be two (2) years from the date of execution by the City, renewable by mutual consent of the parties hereto with such amendments and modifications as then may be agreed to. This Agreement may be terminated by either of the parties hereto one (1) year from the date hereof provided written notice of intent to terminate is given to the other party at least sixty (60) days prior to the termination date. Any termination of this Agreement shall not affect the operation hereof as it relates to Loans outstanding at the time of said termination.

7. Prior to the making of the first Loan as contemplated by this Agreement, the City shall furnish or cause to be furnished to Bank an opinion of its City Attorney to the effect:

(a) That the City has all requisite power and authority to enter into this Agreement;

(b) That the City has taken all such actions as may be required for the execution, delivery and performance hereof;

(c) that this Agreement and any instrument or document to which the City is a party pursuant to this Agreement is, or will become upon execution thereof by the City, valid, binding and enforceable in accordance with their terms.

8. Bank covenants and agrees that nothing in this Agreement or in any agreement made pursuant hereto shall be deemed or construed to make the City a surety or guarantor of any Loan and the City's liability with respect to the purchase of any Loan shall be limited to the deposit supporting the Loans as set forth in Paragraph 5 above.

9. Any communications between the parties hereto may be given by mailing the same, postage prepaid, to Bank at its

and to the City at Office of the City Manager,

or to such other addresses as either party may in writing hereafter indicate.

10. This Agreement and any agreement, document or instrument attached hereto or referred to herein integrate all terms and conditions mentioned herein or incidental hereto, and supersede all oral negotiations and prior writings in respect to the subject matter hereof. In the event of any conflict between the terms, conditions and provisions of this Agreement and any such agreement,

document or instrument, the terms, conditions and provisions of this Agreement shall prevail.

11. This Agreement shall be administered on behalf of the City by and through the City Manager or his authorized representative.

12. This Agreement, and any note or other instrument or agreement required hereunder, shall be governed by, and construed under, the laws of the State of California.

13. This Agreement may be executed in as many counterparts as may be deemed convenient, each of which, when so executed, shall be deemed an original.

IN WITNESS WHEREOF, this Agreement is executed by the City of _____ acting by and through its City Manager,

Pursuant to Resolution No. _____ authorizing such execution, and by Bank.

Dated this _____ day of _____, 1975.

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION

By _____

By _____
City Manager

By _____

I HEREBY APPROVE the form and legality of the foregoing Agreement.
this _____ day of _____, 1975.

City Attorney

By _____
Deputy

APPENDIX C

SELF HELP ENTERPRISES (SHE)
TYPICAL REHABILITATION PROGRAM

PROPOSAL TO TULARE COUNTY BOARD OF SUPERVISORS
FOR SELF-HELP HOME-OWNER REHABILITATION PROGRAM

FROM SELF-HELP ENTERPRISES

January 23, 1975

INTRODUCTION

Self-Help Enterprises has been operating a self-help new housing program in the San Joaquin Valley for almost ten years. This program has built approximately 1,600 houses throughout the Valley from San Joaquin County south to Kern County. Most of these houses have been financed through loans from the Department of Agriculture, Farmers Home Administration; however, a substantial number have also been financed through the Department of Housing and Urban Development 235 program. Self-Help Enterprises' headquarters office is in Visalia, California, with field offices in Visalia, Fresno, and Modesto. The funding for the major effort of Self-Help Enterprises which is the New Housing Self-Help program comes from the Department of Agriculture Section 523 Technical Assistance grants. This funding comes on an annual grant basis and Self-Help Enterprises has been in receipt of grants from Farmers Home since 1971. Prior to this, the major source of funding for the self-help program was the Office of Economic Opportunity Title III migrant division funds.

For the past six months Self-Help Enterprises has been operating an experimental self-help rehabilitation housing program with low-income home owners in Tulare County. This program is funded by the Community Action Agency, and to date has rehabilitated 14 houses with ten houses currently in construction. Due to the availability of financing, over 50 percent of these have been in the City of Visalia. Some of the other communities we have served include Sultana, Porterville, Cutler, Orosi, Tulare, Pixley and Earlimart. For a complete listing of jobs, see attachment No. 4, Progress Report.

The Tulare County program uses two full-time paid staff and VISTA Volunteers who have had previous construction experience. Also, the family must be working along with the staff or the staff members will stop work and go to another job. This method insures the self-help participation by the family. Even if the Community Action Agency continues its funding of the program, the majority of the effort will be in the City of Visalia and the work done in the County will be minimal. Because of the great need throughout the County for home upgrading, we believe this successful demonstration program should be expanded.

In the Tulare County report, "Housing, An Element of the General Plan for Tulare County," drafted by the Tulare County Planning Department, 1973, the following was noticed. "The disproportionate share of substandard housing units (55 percent in rural areas) exposes the need for immediate concentrated efforts to drastically improve the housing situation and its attendant factors." pp 14.

The total County housing stock, as shown in the 1970 Census, Fourth Count, indicates the magnitude of the problem. A summary of that data shows that 91 percent of the housing units in Tulare County are occupied. Sixty-two percent of the units are occupied by home owners. Almost 30,000 housing units are classified as either deteriorated or dilapidated, which comprises 46 percent of Tulare County's housing units. Following is our two to five year proposal.

PROPOSAL

This is a two-year proposal to the County which could be extended up to five years with an approximate five percent cost increase per year in grant costs. Amounts needed for the loan fund would decrease by about 10 percent each year. The plan is to assist, in the first year, 44 low-income home owners in the County to rehabilitate their own homes; and in the second, to assist 48 home owners in the same fashion.

The program will work in the following manner: The Loan Officer will locate potential applicants and qualify them for loans. The Construction Supervisor working with the Loan Officer will plan and estimate each job and arrange with the Draftsman to get it drawn up. The Construction Supervisor will explain the building agreement to the family and obtain their signature. (See attachment No. 5.) Each job to be performed will be assigned to a Construction Assistant who will work on the job under the supervision of the Construction Supervisor. The assistant will be aided by one to three construction workers who are not paid staff. They will be VISTA Volunteers, Department of Labor CETA work experience trainees, RSVP volunteers, students or other community volunteers.

As in the experimental program, work will not be done on a family's house unless a member of the family is present and working along with the staff. If the Loan Officer/Counselor finds families with special problems, he will work with those families to try to resolve these and to insure that each family in the program has a full understanding of the responsibilities relative to their new loan and other aspects of home ownership. The Account Clerk will keep cost controls, pay bills, etc. for each job as it progresses. The Rehab Construction Supervisor will oversee the entire operation and will be directly responsible to the Assistant Director for Construction of Self-Help Enterprises. Supervision for the Account Clerk's work will come from the Self-Help Enterprises' Comptroller (see staff chart attached).

As stated in the agreement with the families (attachment No. 5), each family will pay two percent of their loan toward the cost of special tools for the job. Each family will be expected to provide a small number of hand tools for their own use. A certain limited number of tools for volunteer work is provided for in the grant request. Staff will be expected to provide their own tools, and special equipment will be purchased out of the family loan funds.

Because of the difficulty of obtaining loan funds at a reasonable interest rate in a short period of time, it will be necessary to establish a special loan fund for this program. It has been our experience that low-income home owners, during these times of economic inflation-recession, are too often unable to qualify for conventional loans. We would continue, where possible, to obtain loans from any of the following sources: Private lending institutions, Farmers Home Administration, Social Security's Unmet Shelter Needs Allowance, and others. SHE's rehabilitation program conducted a survey of the availability and cost of loans from the private sector. This survey indicates the difficulty in obtaining credit for low-income persons and the high cost if available. It is included as attachment No. 6.

We are estimating approximately 44 units completed the first year at an average loan cost of \$3,000 per unit. Subsequent years will be 48 units at an average cost of \$3,000 per unit. Thus, \$132,000 would need to be available during the

first year. It is our experience that if \$44,000 were allocated to the County for this purpose, this could then be reinvested to triple the amount available at approximately 9 percent interest rate to the families. This could be done either by the county directly, through a banking institution or through Self-Help Enterprises. Some of the loans would be as short as one year repayment while others would run to ten years. Thus, some of the money would be returned and available for a second year although new money would also be needed. Our estimate is that an additional \$44,000 would be needed the second year, but this could be more easily determined after six months of operation. If Farmers Home Administration 504 loans become readily available, this loan fund could be substantially reduced.

Upon receipt of funds to begin this program, Self-Help Enterprises will be able to work immediately; as this will be an expansion of the present demonstration effort. It is anticipated that with the slowness of the building industry at this time, potential staff members will be available who have the skills necessary to perform the job. The following is a listing of the jobs and skill level necessary for them.

CONSTRUCTION SUPERVISOR: Must have experience and full knowledge of most phases of building and must have had experience in actual rehabilitation work; must have ability to estimate and plan individual rehabilitation jobs and be able to supervise staff.

CONSTRUCTION ASSISTANT: Must have a good understanding of various construction phases; must be able to be a leader for construction workers and be a self-starter.

LOAN OFFICER/COUNSELOR: Must be able to deal with the public and with county departments; must have some knowledge of construction and of real estate loans; must have the capacity to deal with potential client families and to serve as a counselor to them.

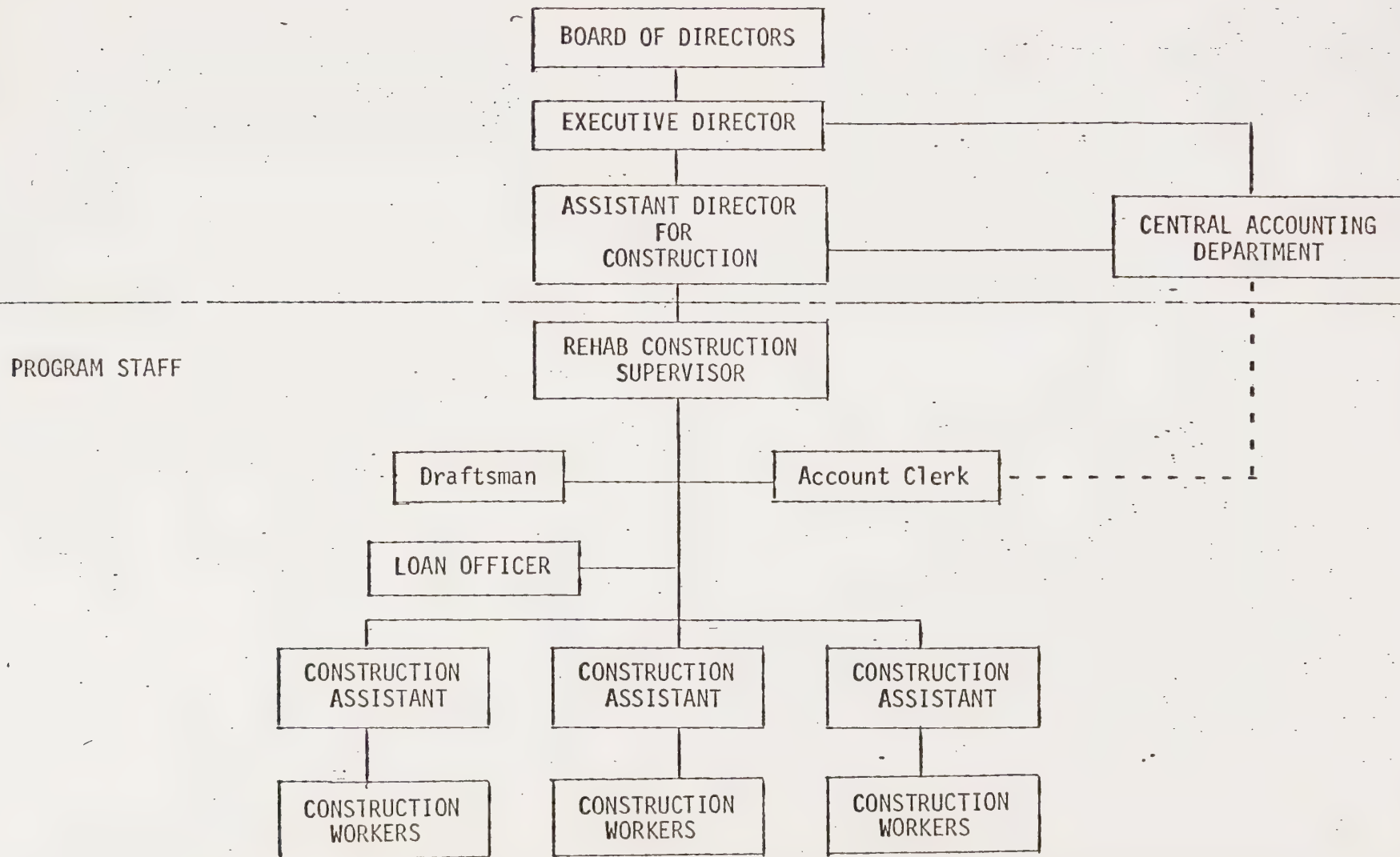
ACCOUNT CLERK: Not a full-charge bookkeeper but should have experience in construction accounting and a knowledge of building materials and terminology, and should have some bookkeeping experience.

DRAFTSMAN: Does not need to be a skilled architectural draftsman, however, he must be able to do adequate drafting work so that proper permits etc. can be obtained.

Attached to this proposal is:

1. Budget
2. Statistical and Fiscal Information Sheet
3. Staff Chart
4. Progress Report
5. Family Building Agreement
6. Loan Information Survey

SELF-HELP ENTERPRISES

PROPOSAL TO TULARE COUNTY PLANNING DEPARTMENT
FOR A SELF-HELP HOME-OWNER REHABILITATION PROGRAM

SELF-HELP HOUSING REHABILITATION AGREEMENT

This agreement is between the Self-Help Housing Rehabilitation Staff (hereafter called "Staff") and _____
hereafter called "Owner." The Staff hereby agrees to assist the Owner of the residence located at _____,
Address City

to perform the following repair and/or remodeling work: (attach plans and specifications, each dated, when more space is necessary.) _____

at an estimated cost not to exceed \$_____.

A. Owner agrees to perform the following:

1. Materials (check one)

_____ Provide the materials needed to do the work (material must be approved by staff in advance).

_____ Provide cash in advance of purchase for material approved by Staff.

_____ Deposit money for entire job in a special checking account using checks requiring the signature of both Staff and one Owner.

_____ Other source as described below:

2. Owner and family members over 16 agree to work on the home a combined minimum of 40 hours per week except as specifically

noted below:

_____.

Approximate working hours each week are as follows:

Based on the above Owner work hours, estimated completion date is:

_____.

3. Owner agrees not to permit the use of alcohol during working hours by anyone working on the house.
4. Owner agrees to attend four evening meetings on consumer information presented by staff. (Meeting attendance optional on jobs of less than 10 hours work time.)

B. Staff agrees to provide the following services at no cost to Owner.

1. Check home for repairs and alterations needed. Draw up plans and specifications as necessary.
2. Assist the Owner as possible to obtain financing, building permits, and purchase of materials and equipment needed to do the work.
3. Teach the Owner how to do the work, supervise the work of Owner and subcontractors (used only for special trades not easily done by Owner).
4. Handle all bookkeeping and bill paying (out of Owner's special checking account) and provide Owner with complete record of all materials used and payments made. All money remaining in account at completion of work, if any, will be returned to source to reduce loan.

5. Provide four meetings for Owners on consumer information at suitable times for Owner's convenience and provide individual help on purchasing information and home maintenance problems when requested.

C. Tools for doing the work will be provided as follows:

1. Small common hand tools will be available to Owner at cost (generally at wholesale price).
2. Special tools and small power tools will be available on a rental basis from SHE for a fee of \$_____ (2 percent of estimated job cost) for the duration of the job. (Owner will be responsible to replace rented tools if lost due to Owner's negligence.)
3. Owner will pay cost of renting larger equipment if needed.

D. Special conditions:

Self-Help Rehab Staff

Owner

Date

Owner

Rehab Income Guidelines for Families

The guidelines for family income for those seeking assistance from Self--Help Rehab Program are as follows:

1. If the family meets OBO income guidelines which are :

- | | |
|---------|---------|
| 1. 2930 | 4. 4550 |
| 2. 3070 | 5. 5290 |
| 3. 3810 | 6. 6030 |
| 4. 4550 | 7. 6770 |

OR

2. If the family receives Public Assistance or Supplemental Security Income

OR

3. If the family is low-income and has a hardship.

OR

4. If the family has a \$6,000 adjusted income maximum. (\$300 allowance f for each dependent) However, no more than 1/3 of the family participants should be qualified by this method.

Also work to be considered shall be for the purpose of health, safety, sanitation, or to relieve overcrowding in the existing dwelling, or work necessary for the preservation of the existing structures.

This is an internal memorandum to assist staff in making ~~XXXX~~ determinations of participant eligibility.

APPENDIX D

CITY RESIDENTIAL REHABILITATION
LOAN PROGRAM, TYPICAL

CITY OF ARVIN

COMMUNITY DEVELOPMENT RESIDENTIAL

REHABILITATION LOAN PROGRAM

INTRODUCTION

Rehabilitation loans may be included in the overall Community Development Program coordinated by the Kern County Community Development Agency for the City of Arvin. The purpose of this type of Program is to provide below market interest loans to finance the rehabilitation of residential dwelling units to owners of residential property within Council designated priority areas in the community.

Funding for rehabilitation loans is to be provided from the Community Development Block Grants. The local loan program is to be administered by the City of Arvin by the building and planning staff through the City Administrator's office.

Some of the key features of the Residential Local Rehabilitation Loan Program are as follows:

- a. Loans shall carry a 6% annual interest rate for owner-occupants and owner-investors.
- b. Maximum loan amount for rehab and general improvement shall be \$5,000.
- c. Borrowers shall have up to fifteen years to repay amounts borrowed.
- d. All loans shall be secured by a Deed of Trust with the City of Arvin as the "Beneficiary".

Section 1. SOURCE OF FUNDS

- A. Funds to operate Residential Rehabilitation Loan Programs are to be provided by the City of Arvin, which shall establish all necessary operating accounts.
- B. Funds for an approved Rehab Loan on residential property are to be provided by the City in the form of a check made payable to the applicant and the City.

- C. Advance of Funds - As necessary, the City shall advance funds to pay for Application Appraisals, Preliminary Title Reports, Title Insurance, Credit Reports and Recordation Fees.
- D. Reimbursement for Advanced Costs - At loan closeout, the City shall be reimbursed for funds that were advanced as listed in Paragraph C above. Funds to cover the reimbursement are on deposit in a Rehab Account established by the City by inclusion in the loan amount, or paid into the Rehab Account by the applicant.

Section II. ELIGIBILITY REQUIREMENTS

This Section sets forth eligibility requirements for a Rehab Loan.

A. Property Eligibility Requirements

- 1. Requirements Applicable to Every Loan Property Must:
 - a. Be for residential use.
 - b. Be located within a designated priority housing area.
 - c. Not presently meet current housing and building code standards.

B. Applicant Eligibility Requirements

- 1. Requirements Applicable to Every Loan - In order to be eligible for a rehab loan, the applicant must:
 - a. Evidence adequate capacity to repay the loan. A rehab loan cannot be approved if the applicant's record shows a disregard of former obligations, or if there is a clear inability to make the payments that will be required.
 - b. Be either owner-occupant or owner-investor of the property. Evidence of title of ownership satisfactory to the City shall be furnished.
 - c. Not be a contract buyer.
 - d. Not be able to obtain similar financing from conventional sources.
- 2. Assurance that Rehabilitation Will be Completed - In some instances, the rehab cost may exceed the amount of a rehab loan. In such cases, a rehab loan will not be made unless the applicant can provide whatever additional amount is needed to assure completion of the work so that the property will at least meet local codes and ordinances.

If a supplemental loan is to be obtained from a recognized lending institution, evidence furnished to the City shall consist of a signed, bona fide written commitment. The loan shall be in an amount which, when added to the rehab loan and any other funds, will be sufficient to complete the required rehab work.

When the applicant is furnishing supplementary funds from sources other than a recognized lending institution, evidence that actual funds are available shall consist of verification and documentation to the City that the applicant can and will deposit the required amount in the Rehab Account at the City for payment on project completion.

Section III. COSTS ELIGIBLE IN A REHAB LOAN

A. GENERAL

Within the limitations on the amount of loan, a rehab loan may include amounts for general improvement items as set forth in this section.

In addition to rehabilitation cost to make the property conform to local building and housing codes, a rehab loan may include funds to cover the costs described below:

1. Objectives of the Community Development Plan - With respect to a property in a priority housing area, a rehab loan may include funds to cover cost of meeting specific objectives of the Community Development Plan, such as curbs and gutters. The objective must be stated in such language in the Plan that specific rehab work is needed and is clearly identifiable.
2. Building Permits and Related Fees - A rehab loan may provide funds to cover the cost of building permits and related fees that are required to carry out the proposed rehab work. However, since the construction contract documents will require the contractor to pay for them, this cost ordinarily would be included in the contract amount.
3. Architectural Services - In some unusual cases, an applicant may employ a private architect to prepare plans and drawings for the rehabilitation of his property. In those cases, the rehab loan may include an amount to cover the cost of the architectural services.

4. Certain Related Costs - A rehab loan may include funds to cover certain costs and charges related to processing the loan application. Accordingly, a rehab loan may provide for the cost of the following:

- a. Appraisals
- b. Credit Reports
- c. Preliminary Title Reports
- d. Filing and Recording fees
- e. Title Insurance
- f. Termite inspection fee

The City will advance funds as necessary for appraisal, credit report, and preliminary title report prior to final approval of the rehab loan application. When loan is approved, the City shall be reimbursed from the proceeds of the loan at the time of loan closeout. If the loan is not approved or the application for a rehab loan is withdrawn, advances shall be regarded as an eligible project cost.

5. General Improvements - A rehab loan which includes funds to cover the cost of meeting requirements of local codes may include, in addition, funds for general improvement to the property. The amount included in rehab loan for general improvements for owner-occupant shall be limited to forty percent (40%) of the total amount of the loan, and twenty percent (20%) for owner-investor. Rehab work to generally improve the condition of the property consists of improvements to the realty beyond those provided for under items 1 thru 4 above. Such general improvements may include additions, enlargements, renovations and remodeling, such as: the provisions for an enlargement of rooms, garage, or fence; the finishing of space within the property such as an attic, porch or basement; remodeling kitchens, including the purchase and installation of a dishwasher (permanently affixed) and garbage disposal; and the purchase and installation of central air conditioning. The additional cost of built-in stove and/or refrigerator where existing equipment was not built-in, is part of general property improvements.
6. Costs Not Eligible - Except as otherwise provided in this Section, a rehab loan shall not provide for:
 - a. New construction, expansion of size of a structure, or the finishing of unfinished spaces such as an attic or basement;

- b. Materials, fixtures, equipment or landscaping of a type or quality which exceeds that customarily used in the locality for properties of the same general type as the property to be rehabilitated;
 - c. Appliances not required; and
 - d. Purchase, installation or repair of furnishings or trade fixtures.
7. Work Write-Up - The City building department will prepare a deficiency list from which they will prepare a work write-up to document the rehab work to be financed with the rehab loan.

Section IV. LIMITATIONS ON AMOUNT OF LOAN

- A. A rehab loan includes a loan to:
- 1. An owner-occupied or owner-investor residential property.
 - 2. Loans may not include an amount for refinancing the existing debt on the property.
- B. The maximum amount for a rehab loan as an owner-occupied or owner-investor residential property is the least of the amounts determined through the application of two limitations:
- 1. \$5,000 per investor-owned or owner-occupied single family dwelling units and owner-occupied two-family dwelling units, or
 - 2. The actual cost of rehabilitation not to exceed the maximum of \$5,000.

Section V. LOAN TERM AND SECURITY REQUIREMENTS

The maximum term for a rehab loan shall be fifteen (15) years. Loans may be repaid in full at any time without any penalties.

The applicant must agree to provide security for a loan in the form of a Deed of Trust and Promissory Note in favor of the City of Arvin. A surordinate lien is acceptable if it provides adequate security.

The applicant must agree, as required by related documents, to abide by the terms and conditions of the Local Residential Rehabilitation Loan Program of the City of Arvin.

Section VI. PROCESSING OF A REHAB LOAN

The City shall:

1. Interview and advise the owner-occupant or owner-investor of the general rehab objectives for the project area, and the purpose and meaning of local building codes.
2. Advise the property owner of the availability and benefits of a rehab loan.
3. Inspect the property.
4. Prepare a work write-up and cost estimate of the rehab work.
5. Determine eligibility of the applicant for a rehab loan.
6. Determine that items in the work write-up conform to purposes for which a rehab loan may be used.
7. Advise applicant of the conditions under which a rehab loan is made.
8. If applicant does or will receive public assistance or other welfare benefits, advise of the effect the loan may have on such income.
9. Obtain the following information with respect to the application:
 - a. Credit report from recognized credit bureau;
 - b. Verification of employment;
 - c. Statement of verification of other earnings;
 - d. Verification of deposits; and
 - e. Verification of Mortgage or Deed of Trust from each holder of a lien secured by the property.
10. Make preliminary evaluation of ability of applicant to repay indicated loan amount.
11. Consult with applicant on preliminary work write-up and cost estimate to reach agreement on work to be done within the applicant's ability to repay.
12. Assign application number to loan case and set up file.
13. As-is appraisals to be performed by City staff or as appointed.
14. Prepare final work write-up and cost estimate.

15. Obtain preliminary title report and determine adequacy of title for purpose of the rehab loans.
16. Obtain any other data required to complete application.
17. Determine maximum amount of loan that applicant may receive to cover rehab costs.
18. Ascertain that through the rehab loan, the property will conform to local codes. If additional financing is needed, assist applicant in obtaining the needed funds.
19. Prepare construction contract documents for applicant and obtain bids and proposals from contractors. If rehab work is to be accomplished by owner or in cooperation with Self Help Enterprises refer to special provisions contained in Appendix "A" attached hereto.
20. Assist applicant in selecting acceptable contractor.
21. Prepare loan application based on information furnished by applicant and supporting documentation. Furnish applicant copy of Terms & Conditions of Rehab Loan, and obtain receipt. Obtain applicant's signature on Loan Application Form.
22. Submit a loan package to Loan Committee for approval. If the City determines that an application should be disapproved, the applicant will be advised accordingly and the loan application file documented with a statement summarizing the reasons.

Upon approval of loan:

- a. Order amount of loan check from the City of Arvin by use of Request for Rehabilitation Loan Check, allowing ten working days for processing the check.
- b. Prepare promissory note, Deed of Trust, Truth in Lending Disclosure Statement, Right of Recission Form, City Certification of Compliance with Truth in Lending Act, and letter to homeowner informing him of his monthly payments and where to mail them.
- c. Instruct and assist borrower in obtaining additional fire and extended coverage insurance which provides coverage in accordance with the local co-insurance clause percentage of the value of the property. Also, to include the City of Arvin as "mortgagee".

- d. Assist borrower in obtaining latest paid tax statement.

Upon receipt of loan funds from the City of Arvin, assist applicant in executing select construction contract, and transmit copies to contractor for execution.

Carry out loan settlement:

- a. Secure borrower's signature on:

1. Promissory Note
2. Deed of Trust
3. Right of Recission Receipt
4. Truth in Lending Disclosure Statement
5. Request for Rehabilitation Loan Check
6. Loan Check

- b. Advise the borrower of:

1. Name of the loan servicer to whom monthly payment checks shall be made payable; where to send the first and subsequent monthly payments; and the obligation to remit the first monthly payment even though he may not receive a payment notice. All payments are due on the first of each month for the duration of the loan.
2. The amount of first and subsequent monthly payments.

- c. Payment Dates:

1. If settlement of the loan is completed on or before the 15th of the month, the first monthly payment by the borrower will be due and payable on the 1st day of the first succeeding month.
2. If settlement of the loan is completed after the 15th of the month, the first monthly payment by the borrower will be due and payable on the first day of the second succeeding month after the month in which settlement is accomplished.
3. In either case, the payment will reflect an adjustment for interest due on the full amount of the loan. Usually, this will be a downward adjustment in the former instance, and an upward adjustment in the latter instance.

23. Post Settlement - Unless a prior adverse lien has been recorded in the interim against the property that would necessitate denial of the rehab loan, the City shall immediately, upon completion of loan settlement, record all recordable instruments and obtain evidence of recordation.
 - a. No Disbursements - The City shall make no disbursements from the Rehabilitation Escrow Account to the borrower during the three-day rescission period.
 - b. Prompt Recordation - In every case, the City shall record promptly after loan settlement the Deed of Trust and all instruments necessary to protect the loan security, without waiting for the expiration of the three-day rescission period.
24. Deposit the loan check endorsed by the borrower to the Rehabilitation Escrow Account.
25. Assist applicant to issue proceed order for construction work. The executed proceed order shall be retained by the City for three (3) business days from the date of signing in order to give the borrower time to exercise his rights of rescission under the Truth in Lending Act.
26. Inspect rehab work and make progress payments, if provided in construction contract. Progress payments shall be limited to two payments plus final payment. Progress payments shall not exceed 80% of the value of the work satisfactorily completed. Final payment to contractor will be paid within twenty (20) days after the City received the contractor's invoice and satisfactory release of liens, or claims for liens by subcontractors, laborers, and material supplies for completed work or installed materials.
27. If the cost of the rehab work is more than \$10,000, assure compliance with equal employment opportunity requirements (if using Block Grant Funds for Program). This is a continuing responsibility until the work is completed.
28. Make final inspection of completed rehab work. Coordinate with City Building Department.
29. Issue Certification of Final Inspection.
30. Obtain from contractor: guarantee of work, manufacturer's and supplier's warranties, if applicable, and release of liens from the general contractor, subcontractors and suppliers, prior to final payments for rehab work.

31. Make final payment to contractor for completed rehab work.

32. Prepare for and complete loan closeout.

Section VII. LOAN CLOSEOUT

After final inspection of the property and transmittal of final payment to the contractor, the City shall draw checks on the Rehab Account as appropriate for:

1. Any amounts due the City as reimbursement for advanced loan expenses.
2. Any unused funds from borrower's Rehab Account to be returned to the loan servicer to be applied against borrower's account.

Each check shall be made payable jointly to the borrower and the City of Arvin. The City shall secure on each check the endorsement of the borrower.

Disposition of Funds Statement - After all funds have been disbursed from the REhab Account and the account has been closed, the City shall prepare a Disposition of Funds Statement in which the City shall account for the disposition of the full loan amount and any other funds deposited in the Rehab Account for the borrower.

Section VIII. DEPOSITORY

The City of Arvin shall designate a depository for the purpose of servicing the rehabilitation loans.

Section IX. FORECLOSURE

Loans that are foreclosed for any reasons will be referred to the City Attorney for necessary legal action.

Section X. DELINQUENT ACCOUNTS

A late charge penalty of 6% will be charged to an applicant who fails to make his monthly payment by the 5th of the month.

SPECIAL PROVISIONS FOR SELF HELP REHABILITATION LOANS

1. If rehabilitation work will be performed by owner, owner must:
 - (a) Show evidence of capability to satisfaction of the City.
 - (b) Execute agreement with the City guaranteeing completion of work within a specified period.
 - (c) Provide receipts of all materials purchased.
2. Owner shall not receive compensation for any labor performed by himself but shall only receive reimbursement for purchase of materials approved by the City and for services provided by a licensed sub-contractor employed by the owner to perform jobs which the owner is incapable of performing himself.
3. If rehab work is to be accomplished in cooperation with Self Help Enterprises applicant must furnish copy of executed agreement with Self Help Enterprises and a copy of Self Help Enterprises estimate of cost.

APPENDIX E

LOCAL CODE ENFORCEMENT PROGRAM

APPENDIX E

LOCAL CODE ENFORCEMENT PROGRAM

"Red Tag" - Vacant Properties

A program that does not require outside assistance from federal, state or county agencies. However, in certain instances specific agencies, such as the County Fire Department or County Health Department, may be requested to give assistance where these agencies provide direct services inside a city.

A typical step by step procedure is outlined below, followed by the designated forms to carry out the program.

ORGANIZATION

1. Adopt a resolution establishing a Housing Appeals Board and designating the City Council as the Appeals Board.
2. Prepare abatement schedule (appendix A-1)
3. Prepare deficiency report form (appendix A-2)
4. Building inspector visually locates vacant substandard buildings, inspects and posts with "Red Tag" (appendix A-3)
5. Building inspector tags utilities at site to prevent turn on (appendix A-4) and completes card on structure (appendix A-5)
6. During inspection of building, inspector takes picture of house, dates it and fills out a "deficiency report" (appendix A-2)
7. Building department notifies the owner of deficiencies by registered mail, files affidavit and outlines specifics of deficiencies (appendix A-6, A-7, A-8)
8. Building department notifies utility companies (appendix A-9)
9. Building inspector arranges to meet with owner and review code violations providing the following options:
 - a. Bring the dwelling up to code
 - b. Have the dwelling removed by the fire department and public works crews, leaving a clean site; or
 - c. Removal by the owner within a specified time period.

10. The owner is notified he may appeal the decision of the building department to the Housing Appeals Board (City Council).
11. If the owner elects to have the city remove the building, the building inspector or fire department requests the owner to sign an "Agreement for Control Burning". (appendix A-10)
12. If the owner elects to remove the structure himself he is given a specific time to have the structure removed, usually three months. If unusual circumstances occur, the Building Department is authorized to provide one extension of time, normally 30 to 45 days (appendix A-11)
13. If the owner elects to appeal to the Housing Appeals Board and the abatement is upheld, the Board must adopt a resolution with a finding that the house must be removed (appendix A-12). Thereafter the previous procedures are implemented.
14. Before the house is removed the City obtains a preliminary title report and lot book guarantee to determine legal ownership.

It is emphasized that this approach to code enforcement is only effective for vacant structures, usually rental units, in order to avoid large relocation payments under the State of California Relocation Act of 1970.

Sensitive building department personnel are important to the effectiveness of this program. Establishing early, personal contact with property owners, with careful explanation of the deficiencies in the structure and options open to them, is the key to a successful program. Often an estimate of the cost of repairs, prepared by the building department, will convince the owner that removal is the best course of action.

ABATEMENT SCHEDULE

DATES

Inspect & Itemize deficiency report

Addresses

Lot Book Report

1st Notice & Deficiency Report:

(Form 1)

Owner of Building

Owner of Land

Mortgagee

Posted

Affidavit (Form 2)

Reinspection (45 days from 1st notice)

2nd Notice: (Setting hearing)

(Form 3)

Owner of Building

Owner of Land

Mortgagee

Posted

Affidavit (Form 4)

Hearing Dates:

Resolution No. _____:

(Form 5)

Owner of Building

Owner of Land

Mortgagee

Posted

Affidavit (Form 6)

Abatement: (30 days from posting of Resolution)

Statement of costs:

Date to Council

Owner of Building

Owner of Land

Mortgagee

Affidavit

DEFICIENCY REPORT

Owner _____

Address _____

Date Inspected _____

Inspector _____

FOUNDATION

____ Repair ____ Provide concrete foundation for ____ front ____ rear ____ side ____ porches

____ Repair ____ Provide proper concrete foundation for ____ house ____ garage ____ carport

____ Repair ____ Provide proper foundation vents. Additional vents ____

____ Replace ____ Provide additional pier blocks

____ Replace ____ Provide additional girder support posts

____ Replace ____ Provide additional girders ____

____ Provide minimum of 12" clearance under girders

____ Repair ____ Replace sub floor area ____

____ Repair ____ Install foundation access door

____ Repair ____ Replace floor covering

____ Lower grade around exterior of house 6"

WALLS

____ Repair ____ Paint exterior

____ Repair ____ Paint interior

____ Repair damaged walls located _____

____ Repair ____ Install waterproof covering on shower wall area, min. 6' height

WINDOWS

___ Repair ___ Replace damaged windows

DOORS

___ Repair ___ Replace damaged ___ doors ___ locksets ___ hinges

CEILINGS

___ Repair ___ Extend ceilings (min. height 7'6", hallways 7'0")

ATTIC

___ Repair ___ Replace ___ Provide additional ceiling joists

___ Repair ___ Replace ___ Provide additional rafters

___ Repair ___ Provide additional roof bracing

___ Repair ___ Provide additional attic ventilation

ROOF

___ Repair ___ Replace roof covering

___ Repair ___ Replace fascia board

ELECTRIC

- ☐ Provide 100 AMP service
- ☐ Provide additional circuits
- ☐ Provide additional outlets ☐ bedroom #1 ☐ bedroom #2 ☐ bedroom #3 ☐ bedroom #4
- ☐ Provide additional outlets ☐ bath ☐ kitchen ☐ living room ☐ laundry
- ☐ Replace ☐ missing ☐ damaged ☐ switches ☐ outlets ☐ covers
- ☐ Repair ☐ Install mechanical ceiling fan over kitchen range
- ☐ Remove ☐ Cover all exposed wiring ☐ house ☐ garage
- ☐ Rewire ☐ Repair wiring in attic area
- ☐ Secure all romex in attic area
- ☐ Secure all romex under house
- ☐ Install boxes with covers on all open splices ☐ attic ☐ subfloor area
- ☐ Install proper size breakers in main panel
- ☐ Ground ☐ outlets ☐ switches ☐ lights in ☐ kitchen ☐ bath ☐ laundry
- ☐ Replace ☐ Provide conduit and weather-proof outlet for cooler hook-up
- ☐ Replace ☐ Provide weather-proof pig tail on cooler
- ☐ Repair ☐ Replace exterior lights
- ☐ Remove zip cords ☐ interior ☐ exterior
- ☐ Install exposed wiring from house to garage ☐ underground or remove
- ☐ Install exposed wiring from house to garage in conduit or remove

PLUMBING

- ☐ Hook house to City sewer system
- ☐ Repair ☐ Replace plumbing waste lines

___ Repair ___ Replace plumbing supply lines in ___ kitchen ___ bath ___ laundry
___ sub-floor area ___ exterior of house

___ Repair plumbing vents

___ Install additional plumbing vents ___ kitchen ___ bath ___ laundry

___ Repair ___ Provide ___ kitchen ___ laundry ___ bath

___ Install pressure relief valve and full-size line on hot water tank

___ Provide combustion air for hot water heater closet

___ Install flexible ___ water heater ___ wall heater ___ kitchen range

___ Repair ___ Replace ___ install vents ___ wall heater ___ floor furnace ___ hot water heater

___ Repair ___ Install laundry stand pipe and trap

___ Remove unvented ___ standing gas valves and heaters located _____

___ Replace heater ___ ___ flue

MISCELLANEOUS

___ Remove debris from _____

___ Remove debris from under house

___ Grade yard _____

___ Repair fence

___ Repair ___ asphalt _____

___ Repair ___ Replace ___ gutters ___ down spouts

___ Repair ___ install swamp cooler support

___ Install pump on swamp cooler

VIOLATION OF STATE HOUSING CODE

The Legislature of the State of California added Article 7 to Title 8 of the State Housing Code with an effective date of July 13, 1963. This legislation is effective throughout the entire State of California. This Section is entitled "Rules and Regulations for Existing Apartment Houses, Hotels, and Dwellings erected prior to August 8, 1963," and has been adopted by the City of _____ by reference.

The intent of the Legislature was to establish standards of maintenance for the older building. The City believes that this law can be administered with less hardship by local people than by arbitrary enforcement of State Law by State employees.

This is to advise you that the impression conveyed by the appearance of your property is that it may be approaching the substandard condition referred to by Law. The City Building Inspector in conjunction with the City Fire Department and County Health Department will be available to assist you in an examination of your property to determine such maintenance that may be required to protect your investment. This Department would appreciate your attention on this matter.

Chief Building Inspector

A F F I D A V I T

STATE OF CALIFORNIA)
COUNTY OF) ss
CITY OF)

_____, being first duly sworn,
deposes and says:

That pursuant to instructions and direction given to him by _____,
_____, Chief Building Official of the City of _____, California;

That pursuant to Statute, the State Housing Law, Division 13, Part 1.5 of
the Health and Safety Code and Title 25, Chapter 1, Subchapter 1, of the
California Administrative Code of the State of California, he deposited in
the United States Post Office in the City of _____, registered mail,
postage prepaid, return receipt requested, a "Notice to Abate Nuisance", to
the persons hereinafter set forth and in the form attached hereto. Said
notices were deposited in the United States Post Office in the City of _____
on the _____ day of _____, 19____.

Pursuant to the heretofore mentioned statute, this affiant duly posted on
the front and on the rear of the building hereinafter set forth a copy of the
said notice attached hereto.

Said notices were attached to the premises on the _____ day of
_____, 19____.

Dated _____

Signed _____

Subscribed and sworn to before
me, a Notary Public in and for
said County and State, on this
_____ day of _____, 19____.

Notary Public

My Commission expires _____

The building located at _____ in
the City of _____, California, and on land described as follows:

has been declared a nuisance by the Building Department of the City of
_____, California; the conditions which render the building sub-
standard being as follows:

It is the opinion of the Building Department that continued occupancy is
detrimental to the health, welfare and safety of the occupants and that such
conditions as set forth above constitute a nuisance as defined in said
Codes and further that such conditions cannot be corrected without demo-
lition of the entire structure.

You are hereby notified that if the building is not demolished and removed
within _____ DAYS FROM THE DATE OF RECEIPT OF THIS NOTICE, the En-
forcement Agency will proceed to abate this nuisance either by way of appro-
priate court action or by way of the abatement procedure provided in
Sections 1012 through 1021 of Title 25, Chapter 1, Subchapter 1, of the
California Administrative Code of the State of California.

This notice is rendered to you pursuant to provisions of Sections 1013 et
seq. of the California Administrative Code of the State of California, and
pursuant to said sections the Building Department of the City of _____
acts as the "Enforcement Agency".

Building Official for the City of _____


[Redacted] - Bld. Dept.

Do Not Turn ON
Until Notified

Address

Date

Signed

Address

Date

Signed

A-4

BUILDING DEPARTMENT

**NOTICE OF
NON-COMPLIANCE**

I have this day inspected this structure and these premises and found the following violations:

- | | |
|---|-------------------------------------|
| ☐ NO PERMIT | ☐ FENCE |
| ☐ PLUMBING | ☐ ELECTRICAL |
| ☐ AIR CONDITIONING | ☐ BUILDING |
| | ☐ _____ |

Remarks: _____

You Are Hereby Notified of the Above Violations of the City Building Codes. If Steps Are Not Taken Immediately to Correct the Above Violation, A Citation Will Be Issued Against Such Work.

Date _____ Inspector _____

Do Not Remove This Notice

DETACH AND BRING THIS PORTION OF CARD WITH YOU.

Violation: _____

Location: _____

Date: _____

BUILDING DEPARTMENT

SEQUOIA PRINTING • VISALIA

A-3

NON-COMPLIANCE

APN No. _____

Date _____

Location _____

Owner: _____ Tract _____ Lot _____

- ☐ General Appearance
- ☐ Foundation
- ☐ Plumbing
- ☐ Electrical
- ☐ Sewer
- ☐ Porch or Steps
- ☐ Building
- ☐ Air Cond.
- ☐ Fence

Remarks:

Corrected ☐ Removed ☐ Date: _____

A-5

SEQUOIA PRINTING - VIBALIA

DATE: _____

Pacific Gas and Electric
Attention:

SUBSTANDARD HOUSING

This is to advise you that the Building Inspector of the City of _____ recently inspected the building(s) listed below and has found it in a sub-standard condition and unfit for occupancy.

The present policy of the City will not allow reoccupancy of any substandard building once it becomes vacant.

As long as this condition exists at this location, this Department will not approve further occupancy or utility connection.

_____, Chief Building Inspector

Meter # _____

Address _____

AGREEMENT FOR CONTROL BURNING

I, _____, do herewith give permission to the Fire Department of the City of _____ to burn or otherwise destroy the building(s) at _____ on or after _____.

IT IS UNDERSTOOD AND AGREED that the destruction by fire of this building is to be accomplished for training purposes by the _____ FIRE DEPARTMENT, CITY OF _____, CALIFORNIA.

DATED _____

State of California)
County of) ss

On this _____ day of _____, 19____, before me, a Notary Public in and for the County of _____, State of California, residing therein duly commissioned and sworn, personally appeared _____, known to me to be this person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County of Tulare, the day and year in this certificate first above written.

Notary Public in and for the County of _____, State of California

APPLICATION FOR EXTENSION

IN RE: Notice and Order dated _____
Address _____
APN _____

_____ herewith applies for an extension of time on the above order and agrees that he will comply with the order if allowed additional time.

It is understood that no further extensions will be granted.

The Department has determined that such extension will not create or perpetuate a condition imminently dangerous to life or property. This order is, therefore, extended until _____.

Applicant

Building Inspector

RESOLUTION

RESOLUTION OF THE GOVERNING BOARD
CREATED BY RESOLUTION ____ PURSUANT TO
THE PROVISIONS OF THE STATE HOUSING LAW

WHEREAS, heretofore the Chief Building Official acting as the "Enforcement Agency" pursuant to the State Housing Law of the Health and Safety Code and California Administrative Code, Title 25, Chapter 1, Subchapter 1, Section 1012 et seq., did post a building and notify the owner of same that said building is substandard and a nuisance, the reasons for same being set forth; the affidavit of the Building Official relative to the posting and notice being on file in the proceedings herein; and

WHEREAS, pursuant to the State Housing Law and California Administrative Code hereinbefore mentioned, the Chief Building Official did post a "Notice to Abate Nuisance" on the form provided for by law; and

WHEREAS, the said building has not been repaired or removed as required by the Building Official; and

WHEREAS, after evidence received from the Building Official and all other interested parties, the following appears:

That the building located at _____
within the City of _____, California, and owned by _____

_____ is unfit for human habitation or occupancy, for the reason that the following deficiencies exist: (See attached City of _____ Deficiency Report)

NOW THEREFORE BE IT RESOLVED that the Governing Board does hereby and on the basis of the hearing and evidence presented conclude that the heretofore mentioned building is a nuisance, unfit for human habitation or occupancy, for the reasons heretofore set forth in the "Whereas" clauses, and does hereby direct the owner to abate the said building within thirty (30) days after the date a copy of this resolution is posted on the said building.

BE IT FURTHER RESOLVED that it is the conclusion of the Governing Board that said building cannot be reconstructed or repaired in a manner so as to comply with the State Housing Law or the Building Code of the City of _____ and therefore the said building must be razed or removed, and the Building Official is hereby authorized and required to so inform the owner of the said building.

BE IT FURTHER RESOLVED that if said building is not razed or removed within 30 days after the posting of this resolution on said building, the Building Official may thereupon raze or remove the building herein declared to be a nuisance or have the same done under his direction and supervision. The expense involved in razing or removal shall constitute a lien on the real property.

Dated _____

Clerk of the Governing Board

APPENDIX F

TYPICAL PROPERTY MAINTENANCE ORDINANCE

CITY OF ARVIN

TYPICAL PROPERTY MAINTENANCE ORDINANCE

PROPERTY MAINTENANCE

An ordinance of the City of Arvin, establishing responsibility of occupant and owners for property maintenance.

NUISANCES: It is hereby declared a public nuisance for any person owning, leasing, occupying or having charge of any premises in this City:

- (1) To maintain such premises in a condition detrimental to public health, safety or general welfare; or
- (2) To so maintain such premises as to permit the same to become unsightly or in such condition of deterioration or disrepair that the same causes appreciable harm or is materially detrimental to proximal properties or improvements; or conformity with the landscaping and maintenance standards of adjacent properties, as to cause substantial diminution in the enjoyment, use or property value of such adjacent properties.
- (3) To keep or maintain such premises with any of the following conditions:
 - a. Buildings which are abandoned or boarded up or partially destroyed.
 - b. Bed clothes hanging from windows.
 - c. Broken down or discarded furniture or conglomerations of toys in front yards.
 - d. Overgrown green vegetation visible to the public.
 - e. Garbage cans strewn over the yards and visible from the street.
 - f. Unfinished buildings, not under active construction.
 - g. Dead trees, weeds and debris.
 - h. Packing boxes stored in yards and visible to the public.
 - i. Deliberate neglect of premises to spite neighbors or influence zone changes.

"Premises" as used herein shall include all property, landscaping, plantings, trees, bushes, fences, buildings, structures, improvements, fixtures and the exterior storage of personal property, equipment, supplies and vehicles.

The City Clerk shall cause to be served upon the owner of each of the premises, building(s) or structure(s) declared to be a public nuisance and sought to be rehabilitated by demolition, removal, or repair one copy of said notice and a certified copy of the resolution of the Planning Commission, in accordance with these provisions.

Said notices and resolutions must be posted and served as aforesaid, at least thirty(30) days before the time fixed for the hearing before the Planning Commission and proof of posting and service of such notices and resolutions shall be made by affidavit which shall be filed with the Planning Commission.

FORM OF PROPER SERVICE OF NOTICE. Proper service of said notice and resolution shall be by personal service upon the person owning the property as such person's name and address appears on the last equalized assessment roll, if he is found within the city limits, or if he is not to be found within the city limits, by depositing a copy of said notice and resolution in the U. S. Post Office properly enclosed in a sealed envelope and with the postage thereon fully prepaid. Said mail shall be registered or certified and addressed to said owner at the last known address of said owner. The service is complete at the time of deposit. If the nuisance involves a building or structure, "owner" as used herein shall include lien and encumbrance holders of record.

HEARING BY PLANNING COMMISSION. At the time stated in the notices, the Planning Commission shall hear and consider all objections or protests, shall receive testimony and other evidence from owners, witnesses and parties interested relative to such alleged public nuisance and as to rehabilitation of such premises by the repair, removal or demolition of such building(s) or structure(s), or by other abatement thereof, and may continue the hearing from time to time.

Upon the conclusion of said hearing, the Planning Commission shall allow or overrule any or all of said protests. If the Planning Commission finds that good and sufficient cause does exist why said premises should be rehabilitated or why such building(s) or structure(s) should be repaired, removed or demolished, or the nuisance otherwise be abated, the Planning Commission shall prepare and file a report of such findings with the City Council.

Upon receiving the report of the Planning Commission that a public hearing was held and that good and sufficient cause does exist why said premises should be rehabilitated or why said building(s) or structure(s) should be removed, repaired or demolished, or the nuisance otherwise abated, the City Council upon 10 days written notice to all interested persons to appear and show cause why the same should not be done, may

by resolution order the City Manager to abate said nuisance, after a period of thirty (30) days, by having the premises, building(s) or structure(s) referred to rehabilitated or repaired, removed or demolished, or the nuisance otherwise abated, and he and his authorized representatives are hereby expressly authorized to enter upon private property for that purpose.

SERVICE ON OWNER OF RESOLUTION TO ABATE. A copy of said resolution ordering the City Manager to abate said nuisance shall be served upon the owner of said property in accordance with the provisions of this ordinance and shall contain a detailed list of needed corrections. Any property owner shall have the right to have any such premises rehabilitated or to have such building(s) or structure(s) removed, repaired, or demolished, or the nuisance otherwise abated at his own expense, provided the same is completed prior to the expiration of the time set forth in said resolution.

RECORD OF COST FOR ABATEMENT. The City Manager shall keep an account of the cost (including incidental expenses) of abating such nuisance on each separate lot, or parcel of land where the work has been done and shall render an itemized report in writing to the City Council showing the cost of rehabilitating said premises, or repairing, removing or demolishing said building(s) or structure(s), including any salvage value of such building(s) or structure(s) and incidental expenses, on each separate lot or parcel of land; provided, that before said report is submitted to the City Council, a copy of the same shall be posted for at least five (5) days upon the premises or property upon which such building(s) or structure(s) were situated, or the nuisance committed, together with a notice of the time when said report shall be submitted to the City Council for confirmation; and a copy of said report and notice shall be served upon the owner of said property, in accordance with the provisions of this ordinance at least five (5) days prior to submitting the same to the Council; proof of said posting and service shall be made by affidavit and filed with the City Clerk. The term "incidental expenses" shall include, but not be limited to the expenses and costs of the City in the preparation of notices, specifications and contracts, and in inspecting the work, and the costs of printing and mailing required hereunder.

HEARING AND PROCEEDINGS. At the date and time fixed for receiving and considering said report the City Council shall hear and pass upon the report of the City Manager, together with any objections or protests which may be raised by any of the owners of property liable to be assessed for the work of abating such nuisance and any other interested persons. Thereupon the City Council may make such revision, correction or modification in the report as it may deem just, after which by resolution the report, as submitted, or as revised, corrected or modified,

shall be confirmed; provided that said hearing or consideration may be continued from time to time. The decision of the City Council on all protests and objections which may be made, shall be final and conclusive.

Whenever any premises, building or buildings, structure or structures exist or are permitted upon any property within the City of Arvin contrary to these provisions, then the Planning Commission, by resolution, may declare the same to be a public nuisance; said resolution shall declare the intention of the Planning Commission to commence abatement proceedings, as herein provided, and shall refer to the street and number under which it is officially or commonly known and describe the property upon which such nuisance exists by giving the legal description of the land.

TO ABATE BY REPAIR, REHABILITATION, DEMOLITION, OR REMOVAL. All premises, buildings, or structures declared to be such public nuisances and ordered to be abated may be abated by rehabilitation, demolition, removal or repair pursuant to the procedures set forth in the Ordinances of the City of Arvin.

NOTICE OF HEARING TO ABATE. Within 30 days after the passage of said resolution, the City Clerk shall cause to be conspicuously posted on the premises, building(s) or structure(s), a certified copy of the resolution of the Planning Commission, which said notices shall be titled: "NOTICE OF HEARING" in letters of not less than one inch in height and shall be substantially in the following form:

NOTICE OF HEARING
TO ABATE NUISANCE

Notice is hereby given that on the ____ day of _____, 19____, the Planning Commission of the City of Arvin passed a resolution declaring that certain premises, building(s) or structure(s) consisting of _____ located or standing upon _____ that certain lot, piece or parcel of land, situated in the City of Arvin, State of California, known and designated as ____ (house number) ____, in said City, and more particularly described as Lot No. ____, Tract No. _____ in said City, constitutes a public nuisance and must be abated by the rehabilitation of such premises by the repair, removal or demolition of said building(s) or structure(s); otherwise, said nuisance will be abated by the municipal authorities of the City, in which case the cost of such rehabilitation, repair, removal or demolition will be assessed upon the land on which said premises, building(s) or structure(s) is or are located and such cost will constitute a lien upon such land until paid. (Reference is hereby made to said resolution for further particulars.)

ASSIGNMENT OF COSTS AGAINST PROPERTY-LIEN. The amount of the cost of abating such nuisance upon any lot or parcel of land, as confirmed by the City Council, shall constitute a special assessment against the respective lot or parcel of land, and as thus made and confirmed shall constitute a special assessment against the respective lot or parcel of land, and as thus made and confirmed shall constitute a lien on said property for the amount of such assessment. After the confirmation of said report, a copy shall be turned over to the Assessor and the Tax Collector of the County of Kern, acting on behalf of the City of Arvin, whereupon it shall be the duty of said Assessor and Tax Collector to add the amounts of the respective assessments to the next regular bills of taxes levied against the said respective lots and parcels for land for municipal purposes, and thereafter said amounts shall be collected at the same time and in the same manner as other municipal taxes are collected, and shall be subject to the same penalties and the same procedure under foreclosure and sale in case of delinquency as provided for other municipal taxes.

AUTHORITY. Any and all nuisances declared and abated hereunder shall be processed pursuant to the authority set forth in Sections 38771 et. seq., 50230, 39070, 39574-39584 and 65800 of the Government Code of the State of California, in the manner described hereinabove.

APPENDIX G

CALIFORNIA HOUSING FINANCE AGENCY,
BACKGROUND AND PROGRAMS



CALIFORNIA

CHFA
HOUSING FINANCE AGENCY

301 Capitol Mall, Sacramento 95814
(916) 322-3991

DRAFT

(FOR DISCUSSION ONLY)

Gentlemen:

As you know, the State of California recently enacted legislation (AB 1X, SB4) establishing a State Housing Finance Agency (CHFA), and outlining a series of programs to be administered by that agency. Among these are the Neighborhood Preservation (NP) and Mortgage Insurance (MI) programs. The legislation is highlighted in the attachments. These programs have been designed to work together to encourage housing rehabilitation by providing low interest loans and mortgage insurance in designated areas. The State assistance available is detailed in the attachments which also includes further discussion of the program and how the State proposes to administer it.

In order to receive this assistance, a neighborhood must first be designated by the State as a Neighborhood Preservation Area; then a contract must be entered into between the State and the city, county, or other eligible contracting entity. The contract will cover State, city/county, lender, and citizen roles.

The enclosed application forms cover eligibility for both the State's Neighborhood Preservation and Mortgage Insurance programs. This application form is not intended to require any significant new primary data collection and has been developed with the intent of streamlining the application process. The preliminary application form contains three sections:

- I. Required maps and neighborhood data substantiating the need and feasibility of the proposed program and assistance.
- II. Documentation of existing and proposed participation by local government, private sector, and the citizenry.
- III. Requested State government participation.

Funding will be on a continuous basis, but reviews will begin with those applications received by March 15, 1976. Applications for each Neighborhood Preservation Area will be reviewed in relation to the criteria set forth in the attachments, and in relation to the amount of State assistance available, the locality's commitment and prior experience, and the degree to which the application would further the State housing goals and the objectives of the locality's housing element.

If you have any questions about the programs of the application process please call.

Sincerely,

STATUS OF CHFA ACTIVITIES
JANUARY 1976

Legislation establishing the California Housing Finance Agency (CHFA) became effective on September 26, 1976. On that date, California became the thirty-eighth state with such an Agency.

As in the other states, the principle function of the CHFA will be to sell tax-exempt bonds and use the proceeds to finance housing with below-market interest rate loans. The CHFA will not construct or own the housing itself; development, ownership, management, and maintenance of the housing will be performed by profit-motivated and nonprofit corporations and by local public entities.

The CHFA has a legislatively mandated social role to fulfill; assistance to low and moderate income persons and families, servicing the elderly, handicapped, and large families, bringing capital back to mortgage deficient areas, and design quality will all be high priority considerations.

The CHFA has broad legislative authority which will allow it to address most of California's housing problems. The CHFA is developing the following program areas: (1) direct loans to developers of multiunit, rental housing throughout the State, including neighborhood preservation areas; (2) rehabilitation loans and the insurance of loans made by other financial institutions in neighborhood preservation areas; (3) the purchase of mortgages on one to four family, owner-occupied dwellings originated by qualified mortgage lenders; and (4) construction loans for FHA insured loans and Farmer's Home permanent loans.

BOND AND NOTES

AB 1X allows the Agency to issue up to \$300 million in tax-exempt revenue bonds and \$150 million in taxable revenue bonds. The full faith and credit of the State does not back revenue bonds, and all bonds issued as well as any bond prospectus must so state. Under the terms of Section 802 of the Federal Housing and Community Development Act of 1974, the taxable bonds can receive a one-third interest subsidy. Until that interest differential subsidy authority is implemented by the Department of Housing and Urban Development the CHFA will probably not be able to utilize its taxable bonds capacity; and, therefore, the maximum capacity of the Agency to make loans in its first year would be \$300 million.

AB 1X appropriated \$10 million to serve as a security reserve for the bonds. With the \$10 million reserve fund, it is expected that the CHFA can properly secure bond issues of \$100 to \$150 million. Additional bonds could be sold for mortgages that are FHA insured or insured by the CHFA as authorized in SB 4X. AB 1X calls for an election in November 1976 for the approval of \$500 million in general obligation bonds.

NO COST TO THE STATE

The CHFA will pay back to the State, out of loan revenues, the \$10 million appropriated for an initial reserve and the \$750,000 appropriated for startup administrative costs. The income from the loans will also pay back both the revenue and general obligation bonds just as the Cal Vet program has done for 50 years. There should be no cost to the taxpayer in assisting rents and owners to achieve decent housing. This is a self-help approach where the State merely provides low interest financing.

As a further protection, any bond issue must be approved by the Housing Bond Credit Committee (HBCC). Such approval may be denied if the HBCC determines that the issuance of the bonds will adversely affect the State's credit rating. The Housing Bond Credit Committee is composed of the State Treasurer, the Controller, the Director of Finance, the President of CHFA, and the Executive Vice-President of CHFA.

BOARD AND STAFF

The overall policies and priorities of the CHFA will be set by an 11-member Board of Directors. Nine members of the Board have already been designated:

1. Jesse Unruh, the State Treasurer (ex officio);
2. Donald Burns, the Secretary of the Business and Transportation Agency (ex officio);
3. Arnold Sternberg, the Director of the Department of Housing and Community Development (ex officio);
4. S. Michael Elliott, Chairperson and also Deputy Secretary of the Business and Transportation Agency;
5. Ms. Mary W. Henderson, A Redwood City Councilwoman;
6. Anthony L. Ramos, Executive Secretary-Treasurer, State Council of Carpenters;
7. Byron D. Barker, President and Chairman of the Board, Barker Management, Inc.;
8. Effie Robinson, Director of Senior Citizens Social Services of the San Francisco Housing Authority;
9. Anthony M. Frank, Chairman and President of Citizens Savings and Loan Association;

and ex officio, nonvoting members:

- A. Roy M. Bell, the Director of Finance;
- B. Bill Press, the Director of the State Office of Planning and Research.

Besides serving as Chairman of the Board, S. Michael Elliott is serving as Acting President of the CHFA until a permanent chief executive officer can be chosen.

Gary Paul Kane, a Sacramento attorney, who has served as attorney to many California housing and redevelopment agencies and as coordinator of HUD's State Housing Finance Agency Program in Washington, D.C., has been retained as Special Consultant to assist the Agency in setting up its bonding, financing, and legal operations.

Pat Goeters, formerly serving as Deputy Director of the Massachusetts Housing Finance Agency, supervised the processing and development of almost a billion in mixed rental housing. Those developments have now become a national model in the field of assisted housing for quality underwriting and outstanding design. He has been retained as Special Consultant to design and implement the Agency's housing program.

Robert Klein, formerly principal consultant to the Legislature's Joint Committee on Community Development and Housing Needs, has been retained by CHFA as a special consultant to design the single family mortgage purchase and the neighborhood preservation programs.

Mr. David Engelman, former Executive Vice President and Chief of Operations for the Mortgage Guaranty Insurance Corporation, has been retained by the Agency to design the mortgage insurance program, which will be implemented in conjunction with the neighborhood preservation program.

ELIGIBILITY

Definitions for eligibility employed as AB 1X for very low and low income correspond to definitions used by the Federal Department of Housing and Urban Development (HUD). HUD divides the country into market areas and calculates the median income for each area. HUD then defines "very low income" as 50 percent or less of the area median income. "Low income" falls between 51 percent and 80 percent of the median.

For further information or additional forms you may contact those listed below:

Northern California

Larry A. Smith)
 or) (Direct Lending)
Roland F. Bedford)
California Housing Finance Agency
c/o Department of Savings and Loan
350 Sansome Street, Suite 210
San Francisco, CA 94104

Telephone: (415) 557-3666

Southern California

Ronald G. Rule (Neighborhood Preservation)
Eugene J. Lai (Direct Lending)
California Housing Finance Agency
c/o Department of Savings and Loan
15th Floor
600 South Commonwealth Avenue
Los Angeles, CA 90005

Telephone: (213) 620-3492

Headquarters -- Sacramento

S. Michael Elliott

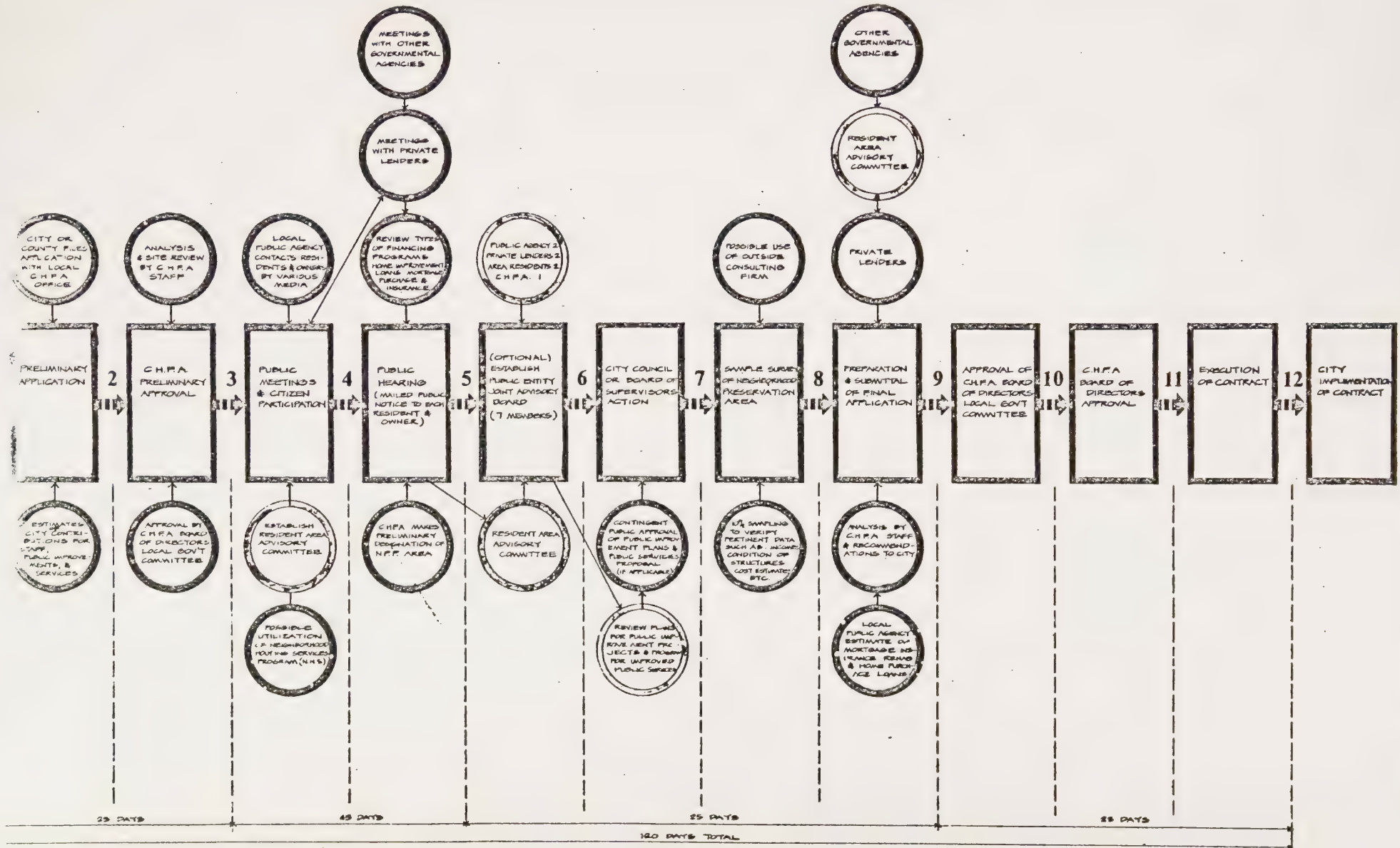
Telephone: (916) 445-2793

Pat Goeters)
 or) (All Programs)
Gary Paul Kane)
Robert Klein (Neighborhood Preservation)
California Housing Finance Agency
301 Capitol Mall
Sacramento, CA 95814

Telephone: (916) 322-3991

CALIFORNIA HOUSING FINANCE AGENCY NEIGHBORHOOD PRESERVATION PROGRAM

Description Of Preliminary Process



- LOCAL PUBLIC AGENCY
- CHFA & OTHER GOVT AGENCIES
- LENDERS
- RESIDENTS & OWNERS

APPENDIX H

1911 IMPROVEMENT DISTRICT ACT

LEGAL PROCEDURES FOR SPECIAL
ASSESSMENT FINANCING PURSUANT
TO CHAPTER 27, PART 3, DIVISION 7
OF THE STREETS AND HIGHWAYS CODE

CITY OF ARVIN

MARCH 1976
QUAD CONSULTANTS

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LEGAL PROCEDURES FOR SPECIAL
ASSESSMENT FINANCING PURSUANT
TO CHAPTER 27, PART 3, DIVISION 7
OF THE STREETS AND HIGHWAYS CODE

I. INTRODUCTION

A commonly used and highly satisfactory method of financing public improvements, which is sanctioned in most municipalities, is by the conduct of special assessment proceedings by the City in which the proposed land to be developed is situated. The end result of such proceedings is the providing of the required public improvements financed by a special assessment secured by a lien in a specific amount against each parcel of property benefiting therefrom.

The purpose of this report is to summarize the statutory procedures available for special assessment proceedings.

There are two basic reasons for assessments and assessment financing in a given project:

- a. To insure equitable and objective distribution of costs among the properties affected and benefited.
- b. To provide the owners of benefited properties with the means for paying their share of the cost over a period of time at reasonable interest rates.

The Assessment Acts are the laws which set forth the procedures for accomplishing the work of a local improvement and for levying the assessment to pay for such work. The Assessment Acts available and in common use are the Municipal Improvement Act of 1913 and the Improvement Act of 1911.

Chapter 27 (Sec. 5870 et. seq. of Streets and Highways Code) is included within the Appendix of this report and applies to the construction of sidewalks, gutters, pavements, driveways and curbs and, the installation of storm and sanitary drainage facilities, parkway trees and street lighting facilities in front of properties in any block where:

(1) Any or all of the above improvements have been previously constructed in front of properties in a block constituting more than 50% of the front footage of the block; or

(2) Where the owners of more than 60% of the front footage of the block file a petition with the Clerk requesting the installation of any of the above improvements; or

(3) Where a petition signed by the owners of more than 60% of the front footage of any part of an unimproved portion or portions of a block has been filed with the Clerk requesting the installation of such improvements in front of that part.

11. PROCEDURE

1. Duty of Property Owner

The owners of property under any one of the circumstances mentioned above has the duty, by law, of constructing the improvements in front of their properties upon notice so to do by the Superintendent of Streets. (Public Works Director, Public Works Superintendent, etc.)

2. Superintendent of Streets

When any of the above-mentioned conditions has been met and the Superintendent of Streets so finds, he may, and upon the instructions of the City Council shall, notify the owner or person in possession of the property to construct such improvements in front of his property.

3. Notice

Notice may be given by delivering a written notice personally to the owner or to the person in possession of the property fronting upon the improvements proposed to be installed, or by mailing a postal card to the person in possession of the property or to the owner at his address appearing on the last equalized assessment roll. Notice must also be posted in a conspicuous place on the property by printing a copy of the mailed notice on a card of not less than 8 inches by 10 inches in size.

4. Hearing

The notice must specify what work is to be done, how it is to be done, what materials shall be used, a statement that if the construction is not commenced within 60 days and diligently completed the Superintendent of Streets shall cause the construction to be done and that the cost shall be a lien on the property, and the date, time and place when the City Council will hear and pass upon objections or protests. At the appointed time, the City Council shall hear and pass upon the objections and its decision thereon shall be final and conclusive.

5. Construction of Improvements by Property Owner

At the conclusion of the hearing, the property owner is obligated to construct or cause to be constructed the necessary improvements. If the construction is not commenced and prosecuted to completion with due diligence as required by the notice or by the Governing Body after the hearing mentioned above, the Superintendent of Streets shall forthwith construct the required improvements.

6. Report

Upon the completion of the construction by the Superintendent of Streets, he shall prepare and file with the City Council a report specifying:

- (a) The work which has been done.
- (b) The cost of construction.
- (c) A description of the real property in front of which the work has been done.
- (d) The assessment against each lot or parcel of land proposed to be levied to pay the cost thereof.

7. Hearing

Upon the completion of the report by the Superintendent of Streets, notice of the cost of construction is given in the manner specified above for the giving of notice to construct. The notice must specify the time and place of hearing on the report. At the hearing, the City Council shall hear and pass upon the report, together with any objections or protests which may be raised. The City Council may make such revision, correction or modification in the report as it may deem just. At the conclusion of the hearing, the report is confirmed as submitted or revised, corrected or modified. The City Council's decisions on all protests and objections shall be final and conclusive.

8. Collection of Cost of Construction

The cost of construction may be assessed against the parcel of property fronting on the improvements so constructed. If not paid within 5 days of the confirmation, the amount so assessed shall constitute a special assessment against that parcel of property and shall be a lien from the time of recordation of a notice of lien which lien shall continue until the assessment and all interest thereon is paid.

9. Alternative Method of Collection

As an alternative method of collection, the City Council may order the notice of lien to be turned over to the tax collector. Upon such delivery of the notice of lien, it shall be the duty of this officer to add the amount of the assessment to the next regular tax bill. Thereafter, the amount of the lien shall be collected at the same time and in the same manner as ordinary taxes are collected and shall be subject to the same penalties and interest and to the same procedure under foreclosure and sale as provided for ordinary taxes.

CITY LETTERHEAD

John Doe
123 S. North St.
 , CA 93286

Dear Mr. Doe:

The City of has received several requests for the construction of curb and gutter on S. North Street between Bakersfield Ave. and Fresno Ave. Constructing curbs and gutters from block to block has several advantages to you, the property owner, as well as to the City. By allowing this work to be completed in large projects, rather than on an individual lot basis, the cost to you will be lower as the work will be given to the lowest qualified bidder and also the necessary street repairs can be completed along the full length of your block.

Won't you please let us know how you feel about this improvement project by filling out the self-addressed, stamped card and mailing at your earliest convenience. Should you have additional questions regarding the proposed improvements of North Street, please call me at 564-8483.

Sincerely,

(Public Works Director)
 or
City Administrator

CURB AND GUTTER PETITION

(Sample)

I, the undersigned owner(s) of the real property in the City of _____, described as follows:

Street Address _____

APN _____

I request the City Council to have curb and gutter constructed adjacent to our property at the above location.

Property Owner(s) _____

Will I be at time of completion / /Yes
Will I pay the cost on property tax bill / /Yes
Am I interested at this time / /

Signature _____

Curb and gutter front ft.	@ _____ per ft.	= _____	Estimated Cost
Sidewalk sq. ft.	@ _____ per sq. ft.	= _____	Estimated Cost
Drive Approach sq. ft.	@ _____ per sq. ft.	= _____	Estimated Cost
Misc. construction			Estimated Cost

SIDEWALK PETITION

I/We the undersigned owner(s) of the real property in the City of _____, described as follows:

Street Address _____ APN _____
request the City Council to have sidewalk constructed adjacent to our property at the above location.

Date _____ Property Owner(s) _____

Bill me at time of completion ☐ Yes Signature _____
Place cost on property tax bill ☐ Yes
Not interested at this time ☐

_____ Sidewalk sq. ft. @ _____ sq. ft. = _____ Estimated Cost
_____ Drive approach sq.ft. @ _____ sq. ft. = _____ Estimated Cost

Report To: City Council
From: (Supt. of Streets, Public Works Director, etc.)
Subject: 1911 Act, Chapter 27, "Duty to Construct"

Recommendation

That subsequent to the public hearing, the properties listed herein to construct or have constructed (curb and gutter, sidewalk, etc.) on S. North Street between Fresno Avenue and Bakersfield Avenue.

Report

The City of (name) has received the request of property owners representing at least 60% of the frontage on the (east side or west side) of S. North Street between Fresno Avenue and Bakersfield Avenue. The following list indicates the address and assessor's parcel number and limits of the project.

John Doe
123 S. North St.
APN 001-100-01

John Doe Sr.
126 S. North St.
APN 001-100-02

Mary Smith
129 S. North St.
APN 001-100-03

The City Council shall have the power, in its discretion, to determine that the payment of such assessments of \$50 or more may be made in annual installments, not to exceed 5, together with interest on the unpaid balance.

It should be noted that in 1969, the law was amended to provide for such construction outside of the jurisdiction of the City conducting the proceedings with the consent, expressed by resolution, of the County of Kern or other entity.

Dated: March, 1976

NOTICE OF PUBLIC HEARING

You are hereby notified that in accordance with Paragraphs 5875, 5876, 5877, 5878.1 and 5879 of Article 2, Chapter 27, Streets and Highways Code, the City of (Name) pursuant to the request of the property owners representing at least 60% of the frontage, does intend to construct the (curb and gutter, sidewalk, etc.) running from _____ to _____ between _____ and _____. Construction shall be in accordance with the official City Standards and you shall be charged for materials used in constructing (curb and gutter sidewalk etc.) fronting your property at _____.

Unless petitioned by all of the affected property owners, construction of said (curb and gutter, sidewalk, etc.) shall not commence within 60 days of this notice after which the Public Works Director shall cause the construction to be done and the cost of same shall be a lien against the property.

On _____ at 7:30 p.m., the City Council will meet in the Council Chambers, (address), to hear and pass upon objections or protests, if any, which may be raised by any property owner or other interested persons.

The decision of the City Council on all protests and objections which may be made shall be final and conclusive. If you should have any questions, please contact the Office of Director of Public Works (Telephone No.).

(Name of Public Works Director)
Public Works Director, City of (Name)

NOTICE OF PUBLIC HEARING

You are hereby notified that the City Council will hear and pass upon your cost in having (curb and gutter, sidewalk, etc.) constructed along your street frontage property at _____. The hearing will be at the City Council Chambers, (address), at (time) on (month, day, year) during the regular Council meeting. The cost will be placed on your City property tax roll following authorization by the City Council at the hearing. If you have any questions concerning the cost, please contact (Public Works Director, City Clerk, City Administrator, Etc.) (Telephone No.), prior to the meeting.

Property Description (APN No. or Lot No.) Cost of Construction _____
Owner(s) _____

SAMPLE

Report To: City Council
From: (Supt. of Streets, Public Works Director, etc.)
Subject: 1911 Act, Cost Hearing

Recommendation

That subsequent to the public hearing, the cost amounts listed for the construction of (curb and gutter, sidewalk, etc.) be placed on the property tax roll.

Report

The construction work has been satisfactorily completed and the following list indicates the addresses and assessor's parcel numbers of the owners desiring to have the cost placed on their property tax roll. The limits of the project are shown on the attached map.

John Doe
123 South North St.
APN 001-100-01
\$110.00

John Doe, Sr.
126 S. North St.
APN 001-100-02
\$107.00

Mary Smith
129 S. North St.
APN 001-100-03
\$220.50

NOTICE OF SPECIAL ASSESSMENTS

Listed herein are the special assessments which are to be levied against the listed parcels of land. These assessments have been approved by Resolution of the City Council of the City of (name) pursuant to the Improvement Act of 1911, Chapter 27 (see 5870 et. seq. of the Streets and Highways Code).

<u>APN No.</u>	<u>Name & Address of Property Owner</u>	<u>Type of Improvement</u>	<u>Amount to be Levied for 19__-__ Tax Year</u>
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The County Auditor is hereby requested to place the above costs on the 19__-__ Tax Roll for the City of (name).

Date: (month, day, year)

City Clerk
City of (name)

FORM D

77 01460

U.C. BERKELEY LIBRARIES



C123318868

INSTITUTE OF GOVERNMENTAL STUDIES LIBRARY
109 PHILOSOPHY HALL
UNIVERSITY OF CALIFORNIA
BERKELEY, CA 94720

